

N AND R KARNANI TRUST

England & Wales · Charity number 1188223

Details

Status	Registered
Legal form	Charitable company
Company number	11819847
Registered	2020-02-27
Register	View on the Charity Commission register

Contact

Address	39 Hendon Avenue London N3 1UJ
Phone	02083432208
Email	narendra@m-marcus.com

Activities

Objects: 2.1 THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALLY, IN EACH CASE, ONLY FOR THE FOLLOWING: (A) FOR THE PUBLIC BENEFIT TO PROMOTE THE EDUCATION (INCLUDING SOCIAL AND PHYSICAL TRAINING) OF CHILDREN FROM DISADVANTAGED BACKGROUNDS AND THOSE SUFFERING FROM MENTAL AND/OR PHYSICAL DISABILITY IN THE UNITED KINGDOM AND INDIA IN SUCH WAYS AS THE CHARITY TRUSTEES THINK FIT, INCLUDING, BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING, BY:-(I) PROVIDING AND ASSISTING THEIR EDUCATION, (II) TO UNDERTAKE TRAVEL IN FURTHERANCE OF THAT EDUCATION,(III) TO PREPARE FOR ENTRY TO ANY OCCUPATION, TRADE OR PROFESSION ON LEAVING ANY EDUCATIONAL ESTABLISHMENT, (IV) PROVIDING AND ASSISTING IN THE PROVISION OF FACILITIES FOR THEIR EDUCATION IN THE UNITED KINGDOM AND INDIA.(B) FOR THE PUBLIC BENEFIT THE PREVENTION OR RELIEF OF POVERTY IN THE UNITED KINGDOM AND INDIA BY PROVIDING OR ASSISTING IN THE PROVISION OF EDUCATION, TRAINING, HEALTHCARE AND MEDICAL PRODUCTS AND ALL THE NECESSARY SUPPORT DESIGNED TO ENABLE INDIVIDUALS TO GENERATE A SUSTAINABLE INCOME, IMPROVED STANDARD OF LIVING AND TO BECOME SELF-SUFFICIENT AND INDEPENDENT. 2.2 NOTHING IN THESE ARTICLES SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CHARITY FOR PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH ANY STATUTORY PROVISION REGARDING THE MEANING OF THE WORD "CHARITABLE" OR THE WORDS "CHARITABLE PURPOSES" IN FORCE IN ANY PART OF THE UNITED KINGDOM.

Activities: providing and assisting their education, to undertake travel in furtherance of that education, to prepare for entry to any occupation, trade or profession on leaving any educational establishment, providing

and assisting in the provision of facilities for their education in the United Kingdom and India.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty
- **Who:** People With Disabilities, The General Public/mankind

Geography

- India
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,251,598	£409,715	£4,275,895	0
2024-03-31	£969,812	£279,660	£3,421,504	0
2023-03-31	£956,096	£100,689	£2,647,175	0
2022-03-31	£1,279,547	£94,248	£1,821,961	0
2021-02-28	£684,000	£36,525	£653,475	0

Trustees

Name	Role	Appointed
Mitul Shona Mistry Joshi		2026-03-12
Namita Maru		2026-03-12
Narendra Karnani M.A.		2019-02-11

N AND R KARNANI TRUST

England & Wales - Charity number 1188223

Accounts

Charity registration number 1188223 (England and Wales)

Company registration number 11819847

N AND R KARNANI TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

N AND R KARNANI TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Karnani Mrs R Karnani Mrs R Mistry
Charity number	1188223
Company number	11819847
Registered office	Amba House 3rd Floor, 15 College Road Harrow HA1 1BA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS

N AND R KARNANI TRUST

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N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

The core objectives of the charity remain the same and are as follows:

- for the public benefit to promote the education (including social and physical training) of children from disadvantaged backgrounds and those suffering from mental and/or physical disability in the United Kingdom and India in such ways as the charity trustees think fit, including, but without prejudice to the generality of the foregoing by:
 - i) providing and assisting their education,
 - ii) to undertake travel in furtherance of that education,
 - iii) to prepare for entry to any occupation, trade or profession on leaving any educational establishment,
 - iv) providing and assisting in the provision of facilities for their education in the United Kingdom and India.
- for the public benefit, the prevention or relief of poverty in the United Kingdom and India by providing or assisting in the provision of education, training, healthcare and medical products and all the necessary support designed to enable individuals to generate a sustainable income, improved standard of living and to become self-sufficient and independent.

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

During the year, the trustees continued to fund and support a range of initiatives aimed at improving education, livelihoods and community well-being.

Education and Child Welfare

- Schools for slum children in Mumbai: Continued support for schools providing education to children living in slum communities.
- Schools for migrant workers' children: Funded the construction and operation of 10 schools, enabling children with no prior educational experience to create a habit of regular school attendance.

Livelihood and Community Development

- Mangrove Plantation Programme: Continued funding for mangrove planting, which protects the coastline from erosion and flooding of homes while also providing rural income, as villagers are employed in the planting work.
- Sapling Distribution Programme: Provided fruit saplings to low-income rural households as a rural income programme, enabling families to generate future earnings from fruit production.
- Milk Collection Centres: Funded the construction of milk collection centres in rural villages, providing villagers with a stable livelihood close to home and reducing the need for migration.

Water Security

- Water Security in the Thar Desert: Supported the deepening of 50 water bodies to increase their capacity to store rainwater and strengthening long-term water availability in the region.
- Restoration of 10 Saline Ponds: Supported the removal of saline water from 10 ponds, followed by comprehensive cleaning and deepening to enable effective rainwater harvesting and provide communities with a usable, reliable water source.

Health and Social Care

- Therapeutic Support for young people: Continued support for therapeutic programmes for young people who have experienced significant trauma and adversity, helping them build resilience and emotional well-being.

Financial review

During the year, the trust received general donations of £924,000 (2024: £732,449).

The trust donated a total of £400,763 (2024: £277,634) to various charitable activities during the year and in particular to community projects, schools and hospitals in India and UK.

The trustees wish to express their gratitude for the donations received.

Based on their assessment of the financial position, the trustees have a reasonable expectation that the Trust will be able to continue in operational existence for the foreseeable future.

During the year, funding to support education and reduction in poverty trebled.

Volunteers and staff

The Trust does not employ any paid staff. All activities are overseen and delivered by the trustees, who serve in a voluntary capacity. The Trust is grateful for the time and expertise provided by the trustees and volunteers, which enables it to achieve its charitable aims.

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

Reserves policy

It is the policy of the trustees at all times to maintain sufficient reserves in cash or cash funds to meet all future commitments in full. The trustees monitor the level of reserves at periodic intervals. Their target is to donate 80% of annual income and the balance to be kept as reserves. With the rate of increase in grants, the trustees expect to reach this during the financial year 2026/27. All funds held are unrestricted. The balance of reserves at 31 March 2025 in amount with £4,275,895 (2024: £3,421,504).

Risk management

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

The key area of risk is on the reliance on other parties to take projects forward and ensure sound and financially viable outcomes. This risk is managed through a robust selection process for recipient of donations.

Future plans

The Trust will continue to fund and support a range of initiatives aimed at strengthening the following areas:

- Education and Child Welfare
- Livelihood and Community Development
- Water Security
- Health and Social Care

Structure, governance and management

The company was incorporated by guarantee on 11 February 2019. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company.

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

Mr N Karnani
Mrs R Karnani
Mrs R Mistry

Where it is desirable to appoint new directors any such appointment must be ratified by the existing directors at a duly constituted board meeting. Any such new directors are initially selected having regard to their personal and professional expertise in the activities of the charity. If required, training is given to new directors to ensure they are competent and able to fulfil their roles.

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

All decision making is undertaken by members of the Board. The charity has no staff and there is, therefore, no requirement to delegate decision making further.

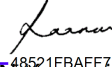
Auditor

In accordance with the company's articles, a resolution proposing that KLSA LLP be reappointed as auditor of the company will be put at a General Meeting.

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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

Signed by:

48521EBAFF7F4AC...
Mr N Karnani
Trustee

10 December 2025

N AND R KARNANI TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of N and R Karnani Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF N AND R KARNANI TRUST

Opinion

We have audited the financial statements of N and R Karnani Trust (the 'charity') for the year ended 31 March 2025 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 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

To address the risk of fraud through trustee's bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of trustees as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the charity.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and Regulations. Our procedures involved: making enquiries of trustees, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Signed by:



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Shilpa Chheda (Senior Statutory Auditor)

For and on behalf of KLSA LLP, Statutory Auditor

Chartered Accountants

Kalamu House

11 Coldbath Square

London

EC1R 5HL

10 December 2025

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

N AND R KARNANI TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	3	1,125,000	873,949
Investments	4	126,598	95,863
Total income		1,251,598	969,812
Charitable activities	5	409,715	279,660
Net income		841,883	690,152
Other recognised gains and losses:			
Other gains	11	12,508	84,177
Net movement in funds	7	854,391	774,329
Reconciliation of funds:			
Fund balances at 1 April 2024		3,421,504	2,647,175
Fund balances at 31 March 2025		4,275,895	3,421,504

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

N AND R KARNANI TRUST

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	13	213,117		354,951	
Investments	14	3,442,290		2,656,637	
Cash at bank and in hand		624,688		411,416	
		4,280,095		3,423,004	
Creditors: amounts falling due within one year	15	(4,200)		(1,500)	
Net current assets			4,275,895		3,421,504
The funds of the charity					
Unrestricted funds	16		4,275,895		3,421,504
			4,275,895		3,421,504

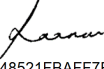
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the trustees on 10 December 2025

Signed by:

 48521FBAAF7F4AC...
 Mr N Karnani
 Trustee

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	19		845,011		530,640
Investing activities					
Investments in money markets		(1,125,523)		(1,076,016)	
Money market investments maturity		1,111,284		850,000	
Purchase of investments		(1,386,279)		(522,523)	
Proceeds from disposal of investments		642,181		-	
Investment income received		126,598		95,863	
Net cash used in investing activities			(631,739)		(652,676)
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			213,272		(122,036)
Cash and cash equivalents at beginning of year			411,416		533,452
Cash and cash equivalents at end of year			624,688		411,416

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

N and R Karnani Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Amba House, 3rd Floor, 15 College Road, Harrow, HA1 1BA.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, [modified to include the certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

All expenses are accounted for on an accruals basis. Direct charitable expenditure includes general overhead cost.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	1,125,000	873,949
Donations and gifts		
Donations from trustees	804,000	641,000
Donations from companies related to the trustees	120,000	91,449
Gift Aid	201,000	141,500
	<u>1,125,000</u>	<u>873,949</u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	23,611	3,040
Interest receivable	102,987	92,823
	<u>126,598</u>	<u>95,863</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Charitable activities

	2025 £	2024 £
Donations - UK	57,094	23,000
Donations - Non UK	343,668	254,634
	<u>400,762</u>	<u>277,634</u>
Share of support costs (see note 6)	3,227	526
Share of governance costs (see note 6)	5,726	1,500
	<u>409,715</u>	<u>279,660</u>

6 Support costs allocated to activities

	2025 £	2024 £
Other expenses	2,582	-
Bank charges	645	526
Governance costs	5,726	1,500
	<u>8,953</u>	<u>2,026</u>

Analysed between:

Charitable activities	<u>8,953</u>	<u>2,026</u>
-----------------------	--------------	--------------

	2025 £	2024 £
Governance costs comprise:		
Audit fees	5,350	1,500
Legal and professional	350	-
Other expenses	26	-
	<u>5,726</u>	<u>1,500</u>

7 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	<u>5,350</u>	<u>1,500</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Employees

N and R Karnani Trust had no employees during the year (2024 - None).

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Other gains and losses

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
(Gains)/losses upon:		
Realised (gain) / loss on investments	(27,316)	-
Unrealised (gain) / loss on investments	14,808	(84,177)
	<u>(12,508)</u>	<u>(84,177)</u>

12 Financial instruments

	2025 £	2024 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	3,442,290	2,656,637
	<u>3,442,290</u>	<u>2,656,637</u>

13 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	213,117	354,951
	<u>213,117</u>	<u>354,951</u>

Other debtors include gift aid accrual of £201,000 (2024: £354,951).

14 Current asset investments

	Bonds £	Equities £	Total £
Cost or valuation			
As at 1 April 2024	984,242	542,938	1,527,179
Additions	833,567	552,713	1,386,280
Valuation changes	(3,506)	16,015	12,509
Disposals	(307,235)	(308,136)	(615,371)
	<u>1,507,068</u>	<u>803,530</u>	<u>2,310,597</u>
As at 31 March 2025	<u>1,507,068</u>	<u>803,530</u>	<u>2,310,597</u>
As at 31 March 2024	<u>984,242</u>	<u>542,938</u>	<u>1,527,179</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

(Continued)

14 Current asset investments

Total purchases during the year were £1,386,280 (2024: 522,523).

The change in market value of the investments during the year comprises of all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sale on investments during the year.

Cash Balances

Money market investments:

	£
As at 1 April 2024	1,111,284
Investments	1,125,523
Deposits maturity	(1,111,284)
	<u>1,125,523</u>
As at 31 March 2025	<u>1,125,523</u>
	<u>1,111,284</u>
As at 31 March 2024	<u>1,111,284</u>

Capital accounts:

	£
As at 1 April 2024	18,175
Purchases / debits	329,764
Proceeds / credits	(341,767)
	<u>6,172</u>
As at 31 March 2025	<u>6,172</u>
	<u>18,175</u>
As at 31 March 2024	<u>18,175</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	<u>4,200</u>	<u>1,500</u>

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2025 £
General funds	<u>3,421,504</u>	<u>1,251,598</u>	<u>(409,715)</u>	<u>12,508</u>	<u>4,275,895</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Unrestricted funds (Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Gains and losses	At 31 March 2024
	£	£	£	£	£
General funds	2,647,175	969,812	(279,660)	84,177	3,421,504

17 Related party transactions

During the period, the charity received £804,000 (2024: £641,000) as donations from Mr N Karnani and Mrs R Karnani who are the trustees of the charity.

During the period, the charity received donations amounting to £120,000 (2024: £91,449) from NRK (London) Ltd, a company related to the trustees.

No Trustee or members of executive committee received any remuneration or had any expenses reimbursed during the year.

18 Analysis of changes in net funds

The charity had no material debt during the year.

19 Cash generated from operations	2025 £	2024 £
Surplus for the year	841,883	690,152
Adjustments for:		
Investment income recognised in statement of financial activities	(126,598)	(95,863)
Unrealised gain / (loss) on investment	(14,808)	84,177
Movements in working capital:		
Decrease/(increase) in debtors	141,834	(149,326)
Increase in creditors	2,700	1,500
Cash generated from operations	845,011	530,640

N AND R KARNANI TRUST

England & Wales - Charity number 1188223

Accounts

Charity registration number 1188223

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

N AND R KARNANI TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Karnani Mrs R Karnani Mrs R Mistry
Charity number	1188223
Company number	11819847
Registered office	Amba House 3rd Floor, 15 College Road Harrow HA1 1BA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS

N AND R KARNANI TRUST

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Balance sheet	8
Statement of cash flows	9
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N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

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

Objectives and activities

The core objectives of the charity remain the same and are as follows:

- for the public benefit to promote the education (including social and physical training) of children from disadvantaged backgrounds and those suffering from mental and/or physical disability in the United Kingdom and India in such ways as the charity trustees think fit, including, but without prejudice to the generality of the foregoing by:
 - i) providing and assisting their education,
 - ii) to undertake travel in furtherance of that education,
 - iii) to prepare for entry to any occupation, trade or profession on leaving any educational establishment,
 - iv) providing and assisting in the provision of facilities for their education in the United Kingdom and India.
- for the public benefit, the prevention or relief of poverty in the United Kingdom and India by providing or assisting in the provision of education, training, healthcare and medical products and all the necessary support designed to enable individuals to generate a sustainable income, improved standard of living and to become self-sufficient and independent.

During the year, funding to support education and reduction in poverty trebled.

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

Achievements and performance

During the year, the trustees continued funding for:

- Schools in Mumbai providing education for children of slum dwellers.
- Mangrove plantations to stop coastal erosion and provide a barrier against floods, protecting coastal community.
- Support for therapeutic programme for young people who have experienced extensive trauma and adversity.
- Providing water security for residents in the Thar Desert.
- Construction work on a school for the children of migrant workers.
- Construction of milk collection centres in rural Indian villages, providing a livelihood for villagers in their own homes, and reducing migration.
- Bringing children who have no experience of schooling into the educational system.

Financial review

During the year, the trust received general donations of £732,449 (2023: £822,500).

The trust donated a total of £277,634 (2023: £99,623) to various charitable activities during the year and in particular to community projects, schools and hospitals in India and UK.

The trustees wish to express their gratitude for the donations received.

Based on their assessment of the financial position, the trustees have a reasonable expectation that the Trust will be able to continue in operational existence for the foreseeable future.

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Reserves policy

It is the policy of the trustees at all times to maintain sufficient reserves in cash or cash funds to meet all future commitments in full. The trustees monitor the level of reserves at periodic intervals. Their target is to donate 80% of annual income and the balance to be kept as reserves. With the rate of increase in grants, the trustees expect to reach this during the financial year 2026/27. All funds held are unrestricted. The balance of reserves at 31 March 2024 in amount with £3,421.504 (2022: £2,647,175).

Risk management

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

The key area of risk is on the reliance on other parties to take projects forward and ensure sound and financially viable outcomes. This risk is managed through a robust selection process for recipient of donations.

Structure, governance and management

The company was incorporated by guarantee on 11 February 2019. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company.

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

Mr N Karnani
Mrs R Karnani
Mrs R Mistry

Where it is desirous to appoint new directors any such appointment must be ratified by the existing directors at a duly constituted board meeting. Any such new directors are initially selected having regard to their personal and professional expertise in the activities of the charity. If required, training is given to new directors to ensure they are complaint and able to fulfil their roles.

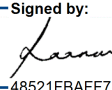
None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

All decision making is undertaken by members of the Board. The charity has no staff and there is, therefore, no requirement to delegate decision making further.

Auditor

In accordance with the company's articles, a resolution proposing that KLSA LLP be reappointed as auditor of the company will be put at a General Meeting.

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

Signed by:

48521FBFAFF7F4AC...
Mr N Karnani
Trustee

5 November 2024

N AND R KARNANI TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of N and R Karnani Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF N AND R KARNANI TRUST

Opinion

We have audited the financial statements of N and R Karnani Trust (the 'charity') for the year ended 31 March 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 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

To address the risk of fraud through trustee's bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of trustees as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the charity.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and Regulations. Our procedures involved: making enquiries of trustees, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

Harsheel Dodhia

B3C29B237D9447E

Harsheel Dodhia (Senior Statutory Auditor)
for and on behalf of KLSA LLP

5 November 2024

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

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

N AND R KARNANI TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	873,949	950,625
Investments	4	95,863	5,471
Total income		<u>969,812</u>	<u>956,096</u>
Charitable activities	5	279,660	100,689
Net income		690,152	855,407
Other recognised gains and losses:			
Other gains/(losses)	11	84,177	(30,193)
Net movement in funds	7	774,329	825,214
Reconciliation of funds:			
Fund balances at 1 April 2023		2,647,175	1,821,961
Fund balances at 31 March 2024		<u><u>3,421,504</u></u>	<u><u>2,647,175</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

N AND R KARNANI TRUST**BALANCE SHEET****AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
Current assets					
Debtors	13	354,951		205,625	
Investments	14	2,656,637		1,908,098	
Cash at bank and in hand		411,416		533,452	
		3,423,004		2,647,175	
Creditors: amounts falling due within one year	15	(1,500)		-	
Net current assets			3,421,504		2,647,175
Net assets excluding pension liability			3,421,504		2,647,175
The funds of the charity					
Unrestricted funds			3,421,504		2,647,175
			3,421,504		2,647,175

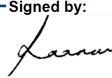
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the trustees on 5 November 2024

Signed by:

 48521FBAFF7F4AC...
 Mr N Karnani
 Trustee

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	17		530,640		861,318
Investing activities					
Purchase of investments		(748,539)		(1,423,104)	
Investment income received		95,863		5,471	
Net cash used in investing activities			(652,676)		(1,417,633)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(122,036)		(556,315)
Cash and cash equivalents at beginning of year			533,452		1,089,767
Cash and cash equivalents at end of year			411,416		533,452

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

N and R Karnani Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Amba House, 3rd Floor, 15 College Road, Harrow, HA1 1BA.

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

All expenses are accounted for on an accruals basis. Direct charitable expenditure includes general overhead cost.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	873,949	950,625
	<u>873,949</u>	<u>950,625</u>
Donations and gifts		
Donations from trustees	641,000	747,500
Donations from companies related to the trustees	91,449	75,000
Gift Aid	141,500	128,125
	<u>873,949</u>	<u>950,625</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	3,040	-
Interest receivable	92,823	5,471
	<u>95,863</u>	<u>5,471</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities

	2024 £	2023 £
Donations - UK	23,000	13,100
Donations - Non UK	254,634	86,523
	<u>277,634</u>	<u>99,623</u>
Share of support costs (see note 6)	526	93
Share of governance costs (see note 6)	1,500	973
	<u>279,660</u>	<u>100,689</u>

6 Support costs allocated to activities

	2024 £	2023 £
Bank charges	526	93
Governance costs	1,500	973
	<u>2,026</u>	<u>1,066</u>
Analysed between:		
Charitable activities	<u>2,026</u>	<u>1,066</u>

Governance costs comprise:	2024 £	2023 £
Audit fees	1,500	973
	<u>1,500</u>	<u>973</u>

7 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	<u>1,500</u>	<u>973</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Employees

N and R Karnani Trust had no employees during the year (2023 - None).

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Other gains and losses

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) upon:		
Unrealised gain / (loss) on investments	(84,177)	30,193

12 Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	2,656,637	1,908,098

13 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	354,951	205,625

Other debtors include gift aid accrual of £354,951 (2023: £205,625).

14 Current asset investments

	2024 £	2023 £
Unlisted investments	2,656,637	1,908,098

Unlisted investments include Money market time deposits £1,111,284, Bonds £984,242, Equity £530,135, Capital accounts £18,175 and Commodities £12,802 (2023: Money market time deposits & £850,000, Bonds £708,163, Equity £347,180 and Capital accounts £2,755).

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	1,500	-

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2024 £
General funds	2,647,175	969,812	(279,660)	84,177	3,421,504
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	1,821,961	956,096	(100,689)	(30,193)	2,647,175

17 Related party transactions

During the period, the charity received £641,000 (2023: £747,500) as donations from Mr N Karnani and Mrs R Karnani who are the trustees of the charity.

During the period, the charity received donations amounting to £91,449 (2023: 75,000) from NRK (London) Ltd, a company related to the trustees.

18 Cash generated from operations	2024 £	2023 £
Surplus for the year	690,152	855,407
Adjustments for:		
Investment income recognised in statement of financial activities	(95,863)	(5,471)
Unrealised gain / (loss) on investment	84,177	(30,193)
Movements in working capital:		
(Increase)/decrease in debtors	(149,326)	41,575
Increase in creditors	1,500	-
Cash generated from operations	530,640	861,318

N AND R KARNANI TRUST

England & Wales - Charity number 1188223

Accounts

Charity registration number 1188223

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

N AND R KARNANI TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Karnani Mrs R Karnani Mrs R Mistry
Charity number	1188223
Company number	11819847
Registered office	Amba House 3rd Floor, 15 College Road Harrow HA1 1BA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS

N AND R KARNANI TRUST

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Independent auditor's report	4 - 6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 15

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

Objectives and activities

The core objectives of the charity remain the same and are as follows:

- for the public benefit to promote the education (including social and physical training) of children from disadvantaged backgrounds and those suffering from mental and/or physical disability in the United Kingdom and India in such ways as the charity trustees think fit, including, but without prejudice to the generality of the foregoing by:
 - i) providing and assisting their education,
 - ii) to undertake travel in furtherance of that education,
 - iii) to prepare for entry to any occupation, trade or profession on leaving any educational establishment,
 - iv) providing and assisting in the provision of facilities for their education in the United Kingdom and India.

- for the public benefit, the prevention or relief of poverty in the United Kingdom and India by providing or assisting in the provision of education, training, healthcare and medical products and all the necessary support designed to enable individuals to generate a sustainable income, improved standard of living and to become self-sufficient and independent.

During the year, funding to assist communities affected by Covid 19 was reduced, and funding to support education and reduction in poverty was increased.

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

Achievements and performance

During the year, the trustees provided funding for a project to enhance employment skills for young people going through difficult period in their lives in Norwich and continued to support a Mumbai based school educating children from slums whose economic prospects are changed by education.

The charity's contributions were used for the protection of villages whose existence was threatened by land/coastal erosion and where deforestation had affected the livelihood of the affected villagers.

Planting of trees and mangroves were funded to act as a barrier against floods which in turn protects the habitat and livelihood of the local community and additionally provides income to a marginalized community during the period of plantation.

Financial review

During the year, the trust received general donations of £822,500 (2022: £972,000).

The trust donated a total of £99,623 (2022: £94,024) to various charitable activities during the year and in particular to community projects, schools and hospitals in India and UK.

The trustees wish to express their gratitude for the donations received.

Based on their assessment of the financial position, the trustees have a reasonable expectation that the Trust will be able to continue in operational existence for the foreseeable future.

Reserves policy

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

It is the policy of the trustees at all times to maintain sufficient reserves in cash or cash funds to meet all future commitments in full. The trustees monitor the level of reserves at periodic intervals. All funds held are unrestricted. The balance of reserves at 31 March 2023 was £2,647,175 (2022: £1,821,961).

Risk management

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

The key area of risk is on the reliance on other parties to take projects forward and ensure sound and financially viable outcomes. This risk is managed through a robust selection process for recipient of donations.

Structure, governance and management

The company was incorporated by guarantee on 11 February 2019. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company.

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

Mr N Karnani
Mrs R Karnani
Mrs R Mistry

Where it is desirable to appoint new directors any such appointment must be ratified by the existing directors at a duly constituted board meeting. Any such new directors are initially selected having regard to their personal and professional expertise in the activities of the charity. If required, training is given to new directors to ensure they are competent and able to fulfil their roles.

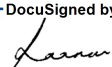
None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

All decision making is undertaken by members of the Board. The charity has no staff and there is, therefore, no requirement to delegate decision making further.

Auditor

In accordance with the company's articles, a resolution proposing that KLSA LLP be reappointed as auditor of the company will be put at a General Meeting.

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

DocuSigned by:

48521FBAFF7F4AC...
Mr N Karnani

Trustee

14 December 2023

N AND R KARNANI TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of N and R Karnani Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF N AND R KARNANI TRUST

Opinion

We have audited the financial statements of N and R Karnani Trust (the 'charity') for the year ended 31 March 2023 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 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

To address the risk of fraud through trustee's bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of trustees as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the charity.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and Regulations. Our procedures involved: making enquiries of trustees, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:



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Harsheel Dodhia (Senior Statutory Auditor)
for and on behalf of KLSA LLP

14 December 2023

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

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

N AND R KARNANI TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	950,625	1,277,500
Investments	4	5,471	2,047
Total income		<u>956,096</u>	<u>1,279,547</u>
Charitable activities	5	100,689	94,248
Net losses on investments	9	-	(482)
Net income		855,407	1,184,817
Other recognised gains and losses:			
Other losses	11	(30,193)	(16,331)
Net movement in funds		825,214	1,168,486
Reconciliation of funds:			
Fund balances at 1 April 2022		1,821,961	653,475
Fund balances at 31 March 2023		<u><u>2,647,175</u></u>	<u><u>1,821,961</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

N AND R KARNANI TRUST**BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	13	205,625		247,200	
Investments	14	1,908,098		484,994	
Cash at bank and in hand		533,452		1,089,767	
		<u>2,647,175</u>		<u>1,821,961</u>	
Net current assets			<u>2,647,175</u>		<u>1,821,961</u>
The funds of the charity					
Unrestricted funds			<u>2,647,175</u>		<u>1,821,961</u>
			<u>2,647,175</u>		<u>1,821,961</u>

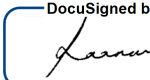
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the trustees on 14 December 2023

DocuSigned by:

 48521FBBAFF7F4AC...
 Mr N Karnani
 Trustee

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	17		861,318		1,057,721
Investing activities					
Purchase of investments		(1,423,104)		(485,476)	
Investment income received		5,471		2,047	
Net cash used in investing activities			(1,417,633)		(483,429)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(556,315)		574,292
Cash and cash equivalents at beginning of year			1,089,767		515,475
Cash and cash equivalents at end of year			<u>533,452</u>		<u>1,089,767</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

N and R Karnani Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Amba House, 3rd Floor, 15 College Road, Harrow, HA1 1BA.

1.1 Reporting period

The accounting reference period ending on 31 March 2023 is for 12 months (2022: 13 months)

1.2 Accounting convention

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

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

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

1.3 Going concern

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

1.4 Charitable funds

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

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

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

1.5 Income

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Expenditure

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

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

All expenses are accounted for on an accruals basis. Direct charitable expenditure includes general overhead cost.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	950,625	1,277,500
Donations and gifts		
Donations from trustees	747,500	912,000
Donations from companies related to the trustees	75,000	60,000
Gift Aid	128,125	305,500
	<u>950,625</u>	<u>1,277,500</u>

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	-	872
Interest receivable	5,471	1,175
	<u>5,471</u>	<u>2,047</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	2023 £	2022 £
Donations - UK	13,100	23,000
Donations - Non UK	86,523	71,024
	<u>99,623</u>	<u>94,024</u>
Share of support costs (see note 6)	93	224
Share of governance costs (see note 6)	973	-
	<u>100,689</u>	<u>94,248</u>

6 Support costs allocated to activities

	2023 £	2022 £
Bank charges	93	224
Governance costs	973	-
	<u>1,066</u>	<u>224</u>
Analysed between:		
Charitable activities	<u>1,066</u>	<u>224</u>
	2023 £	2022 £
Governance costs comprise:		
Audit fees	973	-
	<u>973</u>	<u>-</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

N and R Karnani Trust had no employees during the year (2022 - None).

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Sale of investments	-	(482)
	<u> </u>	<u> </u>

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Other gains and losses

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) upon:		
Unrealised gain / (loss) on investments	30,193	16,331
	<u> </u>	<u> </u>

12 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,908,098	484,994
	<u> </u>	<u> </u>

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	205,625	247,200
	<u> </u>	<u> </u>

Other debtors include gift aid accrual of £205,625 (2022: £247,200).

14 Current asset investments

	2023 £	2022 £
Unlisted investments	1,908,098	484,994
	<u> </u>	<u> </u>

Unlisted investments include money market time deposits £850,000, Bonds 708,163, Equity 347,180 and Capital accounts £2,755 (2022: Bonds - 212,737, Equity - £261,509 and Capital accounts - £10,748)

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	1,821,961	956,096	(100,689)	(30,193)	2,647,175
	<u>1,821,961</u>	<u>956,096</u>	<u>(100,689)</u>	<u>(30,193)</u>	<u>2,647,175</u>
Previous Period:	At 1 April 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2022 £
General funds	653,475	1,279,547	(94,248)	(16,813)	1,821,961
	<u>653,475</u>	<u>1,279,547</u>	<u>(94,248)</u>	<u>(16,813)</u>	<u>1,821,961</u>

16 Related party transactions

During the period, the charity received £747,500 (2022: £912,000) as donations from Mr N Karnani and Mrs R Karnani who are the trustees of the charity.

17 Cash generated from operations	2023 £	2022 £
Surplus for the year	855,407	1,184,817
Adjustments for:		
Investment income recognised in statement of financial activities	(5,471)	(2,047)
Unrealised gain / (loss) on investment	(30,193)	(16,331)
(Gain)/loss on disposal of investments	-	482
Movements in working capital:		
Decrease/(increase) in debtors	41,575	(109,200)
Cash generated from operations	<u>861,318</u>	<u>1,057,721</u>

N AND R KARNANI TRUST

England & Wales - Charity number 1188223

Accounts

Charity registration number 1188223

Company registration number 11819847 (England and Wales)

N AND R KARNANI TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

N AND R KARNANI TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Karnani Mrs R Karnani Mrs R Mistry
Charity number	1188223
Company number	11819847
Registered office	Amba House 3rd Floor, 15 College Road Harrow HA1 1BA
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS

N AND R KARNANI TRUST

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N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE PERIOD ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the Period ended 31 March 2022.

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

Objectives and activities

The charity's objects are restricted specifically, in each case, only for the following:

- for the public benefit to promote the education (including social and physical training) of children from disadvantaged backgrounds and those suffering from mental and/or physical disability in the United Kingdom and India in such ways as the charity trustees think fit, including, but without prejudice to the generality of the foregoing by:
 - i) providing and assisting their education,
 - ii) to undertake travel in furtherance of that education,
 - iii) to prepare for entry to any occupation, trade or profession on leaving any educational establishment,
 - iv) providing and assisting in the provision of facilities for their education in the United Kingdom and India.
- for the public benefit the prevention or relief of poverty in the United Kingdom and India by providing or assisting in the provision of education, training, healthcare and medical products and all the necessary support designed to enable individuals to generate a sustainable income, improved standard of living and to become self-sufficient and independent.

During the year, the trustees made a decision and immediately donated funds to support various communities projects and schools affected by the COVID-19 pandemic in India through local charitable organisations.

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

Achievements and performance

During the year the trust received general donations of £972,000 (2021: £546,000).

The trust donated a total of £94,249 (2020: £36,525) to various charitable activities during the year and in particular to those communities projects, schools and hospitals in India.

The trustees wish to express their gratitude for the donations received.

Financial review

The financial controls of the trust are managed and controlled by the trustees without any remuneration.

Reserves policy

It is the policy of the trustees at all times to maintain sufficient reserves in cash or cash funds to meet all future commitments in full. The trustees monitor the level of reserves at periodic intervals. All funds held are unrestricted.

Risk management

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

Structure, governance and management

The company was incorporated by guarantee on 11 February 2019. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company.

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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

Mr N Karnani
Mrs R Karnani
Mrs R Mistry

Where it is desirable to appoint new directors any such appointment must be ratified by the existing directors at a duly constituted board meeting. Any such new directors are initially selected having regard to their personal and professional expertise in the activities of the charity. If required, training is given to new directors to ensure they are competent and able to fulfil their roles.

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

All decision making is undertaken by members of the Board. The charity has no staff and there is, therefore, no requirement to delegate decision making further.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

There were no trade creditors at the year end.

Statement of trustees' responsibilities

The trustees, who are also the directors of N and R Karnani Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Auditor

In accordance with the company's articles, a resolution proposing that KLSA LLP be reappointed as auditor of the company will be put at a General Meeting.

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



Mr N Karnani
Trustee

14 December 2022

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF N AND R KARNANI TRUST

Opinion

We have audited the financial statements of N and R Karnani Trust (the 'charity') for the Period ended 31 March 2022 which comprise the statement of financial activities, the balance sheet 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 March 2022 and of its incoming resources and application of resources, for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

N AND R KARNANI TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF N AND R KARNANI TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

**Harsheel Dodhia (Senior Statutory Auditor)
for and on behalf of KLSA LLP**

14 December 2022

**Chartered Accountants
Statutory Auditor**

Kalamu House
11 Coldbath Square
London
EC1R 5HL

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

N AND R KARNANI TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Donations and legacies	3	1,277,500	684,000
Investments	4	2,047	-
Total income		<u>1,279,547</u>	<u>684,000</u>
<u>Expenditure on:</u>			
Charitable activities	5	94,248	36,525
Net gains/(losses) on investments	8	(482)	-
Net income for the Period/ Net incoming resources		<u>1,184,817</u>	<u>647,475</u>
Other recognised gains and losses			
Other gains or losses	9	(16,331)	-
Net movement in funds		<u>1,168,486</u>	<u>647,475</u>
Fund balances at 1 March 2021		653,475	6,000
Fund balances at 31 March 2022		<u><u>1,821,961</u></u>	<u><u>653,475</u></u>

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

All income and expenditure derive from continuing activities.

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

N AND R KARNANI TRUST

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	11	247,200		138,000	
Investments	12	484,994		-	
Cash at bank and in hand		1,089,767		515,475	
		<u>1,821,961</u>		<u>653,475</u>	
Net current assets			1,821,961		653,475
Income funds					
Unrestricted funds			1,821,961		653,475
			<u>1,821,961</u>		<u>653,475</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the Period ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

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



Mr N Karnani
Trustee

Company registration number 11819847

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

Charity information

N and R Karnani Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Amba House, 3rd Floor, 15 College Road, Harrow, HA1 1BA.

1.1 Reporting period

The accounting reference period ending 28 February 2022 was extended so as to end on 31 March 2022.

1.2 Accounting convention

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

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Going concern

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

1.4 Charitable funds

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

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

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

1.5 Income

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Expenditure

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

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

All expenses are accounted for on a paid basis. Direct charitable expenditure includes general overhead cost.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.9 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	1,277,500	684,000

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from listed investments	872	-
Interest receivable	1,175	-
	<u>2,047</u>	<u>-</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

5 Charitable activities

	2022	2021
	£	£
Charitable activities	94,024	36,375
Share of support costs (see note 6)	224	150
	<u>94,248</u>	<u>36,525</u>

6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Bank charges	224	-	224	150	-	150
	<u>224</u>	<u>-</u>	<u>224</u>	<u>150</u>	<u>-</u>	<u>150</u>
Analysed between Charitable activities	224	-	224	150	-	150
	<u>224</u>	<u>-</u>	<u>224</u>	<u>150</u>	<u>-</u>	<u>150</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Period.

8 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Gain/(loss) on sale of investments	(482)	-
	<u>(482)</u>	<u>-</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

9 Other gains or losses	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Foreign exchange gains	16,331	-
	=====	=====
10 Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	484,994	-
	=====	=====
11 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	247,200	138,000
	=====	=====
12 Current asset investments	2022	2021
	£	£
Unlisted investments	484,994	-
	=====	=====
13 Related party transactions		

During the period, the charity received £972,000 (2021: £546,000) as donations from Mr N Karnani and Mrs R Karnani who are the trustees of the charity.

N AND R KARNANI TRUST

England & Wales - Charity number 1188223

Accounts

Charity Registration No. 1188223

Company Registration No. 11819847 (England and Wales)

N AND R KARNANI TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

N AND R KARNANI TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Karnani Mrs R Karnani Mrs R Mistry
Charity number	1188223
Company number	11819847
Registered office	Amba House 3rd Floor, 15 College Road Harrow HA1 1BA
Independent examiner	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS

N AND R KARNANI TRUST

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N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

The trustees present their annual report and financial statements for the year ended 28 February 2021.

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

Objectives and activities

The charity's objects are restricted specifically, in each case, only for the following:

- for the public benefit to promote the education (including social and physical training) of children from disadvantaged backgrounds and those suffering from mental and/or physical disability in the United Kingdom and India in such ways as the charity trustees think fit, including, but without prejudice to the generality of the foregoing by:
 - i) providing and assisting their education,
 - ii) to undertake travel in furtherance of that education,
 - iii) to prepare for entry to any occupation, trade or profession on leaving any educational establishment,
 - iv) providing and assisting in the provision of facilities for their education in the United Kingdom and India.
- for the public benefit the prevention or relief of poverty in the United Kingdom and India by providing or assisting in the provision of education, training, healthcare and medical products and all the necessary support designed to enable individuals to generate a sustainable income, improved standard of living and to become self-sufficient and independent.

During the year, the trustees made a decision and immediately donated funds to support various communities and schools affected by the COVID-19 pandemic and Amphan cyclone in West Bengal, India through local charitable organisations.

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

Achievements and performance

During the year the trust received general donations of £546,000 (2020: £6,000).

The trust donated a total of £36,525 to various charitable activities during the year and in particular to those communities and schools in West Bengal, India affected by the COVID-19 pandemic and Amphan cyclone.

The trustees wish to express their gratitude for the donations received.

Financial review

The financial controls of the trust are managed and controlled by the trustees without any remuneration.

Reserves policy

It is the policy of the trustees at all times to maintain sufficient reserves in cash or cash funds to meet all future commitments in full. The trustees monitor the level of reserves at periodic intervals. All funds held are unrestricted.

Risk management

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

N AND R KARNANI TRUST

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

Structure, governance and management

The company was incorporated by guarantee on 11 February 2019. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company.

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

Mr N Karnani
Mrs R Karnani
Mrs R Mistry

Where it is desirable to appoint new directors any such appointment must be ratified by the existing directors at a duly constituted board meeting. Any such new directors are initially selected having regard to their personal and professional expertise in the activities of the charity. If required, training is given to new directors to ensure they are competent and able to fulfil their roles.

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

All decision making is undertaken by members of the Board. The charity has no staff and there is, therefore, no requirement to delegate decision making further.

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



Mr N Karnani
Trustee

15 December 2021

N AND R KARNANI TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF N AND R KARNANI TRUST

I report to the trustees on my examination of the financial statements of N and R Karnani Trust (the charity) for the year ended 28 February 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

KLSA LLP

KLSA LLP

Harsheel Dodhia
Kalamu House
11 Coldbath Square
London
EC1R 5HL

Dated: 15 December 2021

N AND R KARNANI TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2021

		Unrestricted funds	Unrestricted funds
	Notes	2021	2020
		£	£
<u>Income from:</u>			
Donations and legacies	3	684,000	6,000
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	36,525	-
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		647,475	6,000
Fund balances at 29 February 2020		6,000	-
		<hr/>	<hr/>
Fund balances at 28 February 2021		653,475	6,000
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

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

N AND R KARNANI TRUST

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	7	138,000		-	
Cash at bank and in hand		515,475		6,000	
		<u>653,475</u>		<u>6,000</u>	
Net current assets			<u>653,475</u>		<u>6,000</u>
Income funds					
Unrestricted funds			<u>653,475</u>		<u>6,000</u>
			<u>653,475</u>		<u>6,000</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2021.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 15 December 2021


Mr N Karnani
Trustee

Company Registration No. 11819847

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

Charity information

N and R Karnani Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Amba House, 3rd Floor, 15 College Road, Harrow, HA1 1BA.

1.1 Accounting convention

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

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

All expenses are accounted for on a paid basis. Direct charitable expenditure includes general overhead cost.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies (Continued)

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	684,000	6,000

4 Charitable activities

	2021	2020
	£	£
Charitable activities	36,375	-
Share of support costs (see note 5)	150	-
	<u>36,525</u>	<u>-</u>

N AND R KARNANI TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

5 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Bank charges	150	-	150	-	-	-
	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>
Analysed between Charitable activities	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	<u>138,000</u>	<u>-</u>

8 Related party transactions

During the period, the charity received £546,000 as donations from Mr N Karnani and Mrs R Karnani who are the trustees of the charity.