

Report of the Trustees and
Financial Statements for the Year Ended 5 April 2021
for
The Dr N K Shah Trust

Nielsens
The Gatehouse
453 Cranbrook Road
Ilford
Essex
IG2 6EW

The Dr N K Shah Trust

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for the Year Ended 5 April 2021

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The Dr N K Shah Trust

Report of the Trustees **for the Year Ended 5 April 2021**

The trustees present their report with the financial statements of the charity for the year ended 5 April 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's aims are to provide for advancement of education and religion; and the relief of poverty, having been established by a trust deed on 6 September 1986.

Public benefit

Activities undertaken to further public benefit.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity continues to provide human resources, funding and guidance to charities with similar objectives.

Investment performance

The charity's investments are managed by professional investment advisors and an independent broker, Tilney.

The Charity does not lay down a particular target total return for the investment portfolio. Considering the current healthcare crisis, the trustees are satisfied with the investment performance and hope for a recovery to previous levels.

Internal and external factors

It is not expected that the charity will be significantly impacted by any factors other than the economical downturn due to the current pandemic.

FINANCIAL REVIEW

Financial position and chairman's report

The trust continues to promote its aims with the co-operation of UK charities such as The Jain Network, Jain Samaj Europe, Jain Sangha of Europe, Ahimsa for Quality of Life, Jain Academy, World Council of Jain Academies and interfaith organisations. The trustees have attended relevant national and international conferences/meetings and have made donations for the relief of poverty, religious education and to places of worship.

Following the demise of a trustee during the year, Mrs B N Shah, the charity has been fortunate to receive a substantial donation from her estate of £1.3m which shall be utilised for to achieve the aims of the charity in the foreseeable future.

The charity is in a sound financial position at the end of the financial year and since then, has made advances of over £1m to a UK charity to assist it in developing a landmark community and religious building in North London.

Principal funding sources

The charity relies on funding from its trust board to meet the objectives of the charity.

Investment policy and objectives

In accordance with the charity's trust deed, trustees have the power to invest in such investments, and securities as they seem fit, but only after taking expert advice.

Reserves policy

The charity's policy is to maintain minimum reserves of £25,000 to maintain the charity's annual running costs and to enable regular grant funding. It is not the Trustees' policy to maintain significant reserves of income. Grants are made to utilise the income from investments received in the year. There has been no material change in the Trustees' policy since last year.

The Dr N K Shah Trust

Report of the Trustees **for the Year Ended 5 April 2021**

FUTURE PLANS

The trust's future plan is to work in the most efficient and effective way towards achieving its objectives mainly through its grant-making policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

The trustees have the right to nominate new trustees. Additional trustees may be appointed at any time, but the total number shall not be less than three or more than seven.

Induction and training of new trustees

On appointment, each trustee is given, in the view of the board, sufficient training and has sufficient knowledge of their specific field to understand the nature of the charity and is fully compliant with the charity's current view of its progression and given a copy of the UK Charity Commission's publication 'The Essential Trustee: what you need to know and what you need to do' and is expected to follow the guidelines as updated.

Related parties

All donations were received from members of the board of trustees, the significant ones being from the Estate of Mrs B N Shah, and from Dr N K Shah.

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 and to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

327291

Principal address

20, James Close
Woodlands
London
NW11 9QX

Trustees

Dr N K Shah MBE
Dr S N Shah
Mrs L A Shah
Dr A M Shah

Independent Examiner

Nielsens
The Gatehouse
453 Cranbrook Road
Ilford
Essex
IG2 6EW

Approved by order of the board of trustees on 19 January 2022 and signed on its behalf by:

Dr N K Shah MBE - Trustee

**Independent Examiner's Report to the Trustees of
The Dr N K Shah Trust**

Independent examiner's report to the trustees of The Dr N K Shah Trust

I report to the charity trustees on my examination of the accounts of The Dr N K Shah Trust (the Trust) for the year ended 5 April 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Nielsens

Nielsens
The Gatehouse
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19 January 2022

The Dr N K Shah Trust

Statement of Financial Activities
for the Year Ended 5 April 2021

	Notes	5.4.21 Unrestricted fund £	5.4.20 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	50,649	1,350,597
Investment income	3	10,498	6,482
Total		<u>61,147</u>	<u>1,357,079</u>
 EXPENDITURE ON			
Charitable activities	4		
Religious		40,000	1,317
Other		9,428	8,853
Total		<u>49,428</u>	<u>10,170</u>
Net gains/(losses) on investments		617,184	(34,016)
NET INCOME		628,903	1,312,893
 RECONCILIATION OF FUNDS			
Total funds brought forward		1,661,130	348,236
TOTAL FUNDS CARRIED FORWARD		<u><u>2,290,033</u></u>	<u><u>1,661,129</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Dr N K Shah Trust

Statement of Financial Position
5 April 2021

	Notes	5.4.21 Unrestricted fund £	5.4.20 Total funds £
FIXED ASSETS			
Investments			
Investments	8	-	1,571,758
Social investments	9	1,550,000	-
		<u>1,550,000</u>	<u>1,571,758</u>
CURRENT ASSETS			
Cash at bank		741,437	94,754
CREDITORS			
Amounts falling due within one year	10	(1,500)	(5,383)
NET CURRENT ASSETS		<u>739,937</u>	<u>89,371</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,289,937</u>	<u>1,661,129</u>
NET ASSETS		<u>2,289,937</u>	<u>1,661,129</u>
FUNDS	12		
Unrestricted funds		<u>2,289,937</u>	<u>1,661,129</u>
TOTAL FUNDS		<u>2,289,937</u>	<u>1,661,129</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 January 2022 and were signed on its behalf by:

N K Shah MBE - Trustee

The Dr N K Shah Trust

Statement of Cash Flows
for the Year Ended 5 April 2021

	Notes	5.4.21 £	5.4.20 £
Cash flows from operating activities			
Cash generated from operations	1	9,614	1,333,439
Net cash provided by operating activities		<u>9,614</u>	<u>1,333,439</u>
Cash flows from investing activities			
Purchase of fixed asset investments		-	(1,293,278)
Purchase of social investments		(1,550,000)	-
Sale of fixed asset investments		2,178,653	(23,727)
Interest received		376	465
Dividends received		10,122	6,017
Net cash provided by/(used in) investing activities		<u>639,151</u>	<u>(1,310,523)</u>
Change in cash and cash equivalents in the reporting period			
		648,765	22,916
Cash and cash equivalents at the beginning of the reporting period	2	<u>92,672</u>	<u>69,756</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>741,437</u></u>	<u><u>92,672</u></u>

The notes form part of these financial statements

The Dr N K Shah Trust

Notes to the Statement of Cash Flows
for the Year Ended 5 April 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	5.4.21	5.4.20
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	628,903	1,312,893
Adjustments for:		
(Gain)/losses on investments	(617,184)	34,016
Interest received	(376)	(465)
Dividends received	(10,122)	(6,017)
Unrealised losses/investment valuation	10,194	(10,289)
(Decrease)/increase in creditors	(1,801)	3,301
	9,614	1,333,439
	9,614	1,333,439

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	5.4.21	5.4.20
	£	£
Notice deposits (less than 3 months)	741,437	94,754
Overdrafts included in bank loans and overdrafts falling due within one year	-	(2,082)
	741,437	92,672
	741,437	92,672

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 6.4.20	Cash flow	At 5.4.21
	£	£	£
Net cash			
Cash at bank	94,754	646,683	741,437
Bank overdraft	(2,082)	2,082	-
	92,672	648,765	741,437
	92,672	648,765	741,437

The notes form part of these financial statements

The Dr N K Shah Trust

Notes to the Financial Statements for the Year Ended 5 April 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The Accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these Accounts. The Trust meets the definition of a public benefit entity under FRS 102.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Charity does not acquire or use put options, derivatives or other complex financial instruments.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

The Dr N K Shah Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2021

2. DONATIONS AND LEGACIES

	5.4.21	5.4.20
	£	£
Gifts	(1)	1,300,597
Donations	40,650	40,000
Gift aid	10,000	10,000
	50,649	1,350,597

3. INVESTMENT INCOME

	5.4.21	5.4.20
	£	£
Other fixed asset invest - FII	10,122	6,017
Deposit account interest	376	465
	10,498	6,482

4. CHARITABLE ACTIVITIES COSTS

		Grant funding of activities (see note 5)
		£
Religious		40,000
		40,000

5. GRANTS PAYABLE

	5.4.21	5.4.20
	£	£
Religious	40,000	1,317
	40,000	1,317

6. SUPPORT COSTS

	Management	Finance	Totals
	£	£	£
Other resources expended	9,407	21	9,428
	9,407	21	9,428

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2021 nor for the year ended 5 April 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2021 nor for the year ended 5 April 2020.

The Dr N K Shah Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2021

8. FIXED ASSET INVESTMENTS

There were no investment assets outside the UK.

Losses on investments, all in unrestricted funds, include £10,289 in respect of revaluation at the balance sheet date.

Net additions, during the year were £1,303,567.

9. SOCIAL INVESTMENTS

	Loans £
MARKET VALUE	
New in year	1,550,000
	1,550,000
NET BOOK VALUE	
At 5 April 2021	1,550,000
At 5 April 2020	-

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.21 £	5.4.20 £
Bank loans and overdrafts (see note 11)	-	2,082
Trade creditors	-	1
Other creditors	1,500	3,300
	1,500	5,383
	1,500	5,383

11. LOANS

An analysis of the maturity of loans is given below:

	5.4.21 £	5.4.20 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	2,082
	-	2,082
	-	2,082

12. MOVEMENT IN FUNDS

	At 6.4.20 £	Net movement in funds £	At 5.4.21 £
Unrestricted funds			
General fund	1,661,130	628,807	2,289,937
	1,661,130	628,807	2,289,937
TOTAL FUNDS	1,661,130	628,807	2,289,937

The Dr N K Shah Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2021

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	61,147	(49,524)	617,184	628,807
TOTAL FUNDS	<u>61,147</u>	<u>(49,524)</u>	<u>617,184</u>	<u>628,807</u>

Comparatives for movement in funds

	At 6.4.19 £	Net movement in funds £	At 5.4.20 £
Unrestricted funds			
General fund	348,236	1,312,893	1,661,129
TOTAL FUNDS	<u>348,236</u>	<u>1,312,893</u>	<u>1,661,129</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,357,079	(10,170)	(34,016)	1,312,893
TOTAL FUNDS	<u>1,357,079</u>	<u>(10,170)</u>	<u>(34,016)</u>	<u>1,312,893</u>

13. RELATED PARTY DISCLOSURES

All donations were received from members of the board of trustees, the significant ones being from the Estate of Mrs B N Shah, and from the, Dr N K Shah.

The Dr N K Shah Trust

Detailed Statement of Financial Activities
for the Year Ended 5 April 2021

	5.4.21 £	5.4.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	(1)	1,300,597
Donations	40,650	40,000
Gift aid	10,000	10,000
	50,649	1,350,597
Investment income		
Other fixed asset invest - FII	10,122	6,017
Deposit account interest	376	465
	10,498	6,482
Total incoming resources	61,147	1,357,079
EXPENDITURE		
Charitable activities		
Grants to institutions	40,000	1,317
Support costs		
Management		
Travel	5,149	1,741
Light and heat	1,774	1,047
Telephone, Internet and IT	1,455	2,601
Postage and stationery	300	685
Sundries	729	364
Library and subscriptions	-	312
	9,407	6,750
Finance		
Bank charges	21	303
Governance costs		
Auditors' remuneration	-	1,800
	49,428	10,170
Total resources expended	49,428	10,170
Net income before gains and losses	11,719	1,346,909
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	606,895	(23,727)
Net income	618,614	1,323,182

This page does not form part of the statutory financial statements