

Registered number
5198651

The Lohana Mahajan (UK) Trust

Report and Unaudited Accounts

31 December 2007

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**The Lohana Mahajan (UK) Trust
Report and accounts
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The Lohana Mahajan (UK) Trust
Legal and administrative information

Trustees

Dhiren Gadhia
Mahendra Gokani
Girish Mashru

Secretary & treasurer

Dhiren Gadhia

Charity number

1105534

Company number

5198651

**Registered office and
principal place of business**

Crown House
Fourth Floor (409)
North Circular Road
London
NW10 7PN

Independent examiner's report

Such & Co Associates Limited
61 Link House
New Covent Garden Market
Nine Elms Lane
London
SW8 5PA

Bankers

Allied Irish Bank (GB)
9/10 Angel Court
London
EC2R 7AB

Solicitors

Bowling & Co
62 The Broadway
Stratford
London
E15 1NG

The Lohana Mahajan (UK) Trust
Trustees' report
For the year ended 31 December 2007

The trustees present their report and accounts for the year ended 31 December 2007.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles and Memorandum of Association, the Companies Act 1985 and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

Structure, governance and management

The Charity is a company limited by guarantee, incorporated and registered as a charity on 5 August 2004. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, who served during the period were:

Dhiren Gadhia
Mahendra Gokani
Girish Mashru

The Articles of Association provides for a minimum of 3 trustees in any one year and at least one third of the trustees must retire at the Annual General Meeting and may put forward themselves for re-appointment.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

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.

Objectives and activities

The charity's objectives and its principal activities were that of:

(a) the establishment of facilities (including but not limited to a community centre) for healthy sports, recreation and other leisure-time activities in the interests of social welfare with a view to improving the conditions of life of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances;

(b) The relief of poverty, hardship or social circumstances;

(c) The advancement of public education including advancing the public's education in Hindu religion, culture and arts as well in Lohana heritage and culture; and

(d) The advancement of the Hindu religion.

Achievements and performance

The charity owned a property for usage as sports and culture centre for The Lohana Community and other communities. The property having been fully refurbished is capable and has in fact held social and cultural events during the period. The arrangement is underway to hold sport activities.

The Lohana Mahajan (UK) Trust
Trustees' report
For the year ended 31 December 2007

Financial review

The charity has successfully refinanced the bank borrowing and once the additional borrowing, which has been approved, is at the trustees disposal the charity's finances will be in a very healthy situation.

Plans for the future

The trustees are planning to apply the additional borrowing to renovate and refurbish the property to increase the social, cultural and sporting facilities and so that its rental income potential is increased considerably.

Statements of Trustees' Responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity of its incoming resources and application of resources, including its net income and expenditure for the period.

In preparing those accounts, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of trustees



Dhiren Gadhiya
Trustee

Dated: 29/1/09

The Lohana Mahajan (UK) Trust

Independent Examiner's Report on the Accounts (Accruals Accounts)

**Accountants' report on the unaudited accounts
to the trustees and directors of The Lohana Mahajan (UK) Trust**

Respective responsibilities of Trustees and Directors and Examiner

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2007, set out on pages 4 to 10, and you consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

It is our responsibility to:

- Examine the accounts (under section 43(3)(a) of the Act);
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act); and
- To state whether particular matters have come to our attention.

Basis of Independent Examiner's Statement

Our examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items of disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with our examination, no matter has come to our attention

(1) Which gives us reasonable cause to believe that in any material respect the requirements;

- To keep accounting records in accordance with section 41 of the 1993 Act; and
- To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act have not been met; or

(2) To which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



R B Thakkar
Such & Co Associates Limited
Chartered Certified Accountants
61 Link House
New Covent Garden Market
Nine Elms Lane
London
SW8 5PA

Dated: 29/1/09

The Lohana Mahajan (UK) Trust
Profit and Loss Account
for the year ended 31 December 2007

	Notes	2007 £	2006 £
Total income	2	108,150	134,814
Total expenditure from income funds	3	<u>(192,056)</u>	<u>(215,156)</u>
Net (outgoing)/income for the period		(83,906)	(80,342)
Net income brought forward		<u>107,798</u>	<u>188,140</u>
Net income carried forward		<u><u>23,892</u></u>	<u><u>107,798</u></u>

The summary income and expenditure account is derived from the statement of financial activities on page 6 which, together with the notes on pages 7 to 10, provides full information on the movements during the period on all funds of the charity.

	2007 £	2006 £
Statement of total recognised gains and losses		
Net income for the period	23,892	107,798
Unrealised surplus on revaluation of properties held by income funds	<u>233,202</u>	<u>233,202</u>
Total recognised gains and losses related to the year	<u><u>257,094</u></u>	<u><u>341,000</u></u>

The Lohana Mahajan (UK) Trust
Statement of financial activities
For the year ended 31 December 2007

	Notes	2007 £	2006 £
Incoming resources from generated funds			
Donations and legacies	2	58,726	97,000
Incoming resources from charitable activities	2	49,370	37,814
Interest receivable		54	-
Total incoming resources		<u>108,150</u>	<u>134,814</u>
Resources expended			
Cost of generating funds			
Costs of generating donations and legacies	3	150	14,357
Charitable activities			
Support costs	3	151,792	172,669
Direct expenditure	3	<u>40,114</u>	<u>28,130</u>
Total resources expended	3	192,056	215,156
Net (outgoing)/incoming resources		(83,906)	(80,342)
Other recognised gains and losses			
Revaluation of tangible fixed assets		-	-
Net movement in funds		(83,906)	(80,342)
Fund balances at 1 January 2007		<u>341,000</u>	<u>421,342</u>
Fund balances at 31 December 2007		<u><u>257,094</u></u>	<u><u>341,000</u></u>

The Lohana Mahajan (UK) Trust
Balance Sheet
as at 31 December 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	6	2,518,866	2,555,285
Current assets			
Debtors	7	8,954	2,102
Cash at bank and in hand		3,972	18,514
		<u>12,926</u>	<u>20,616</u>
Creditors: amounts falling due within one year	8	<u>(671,079)</u>	<u>(631,763)</u>
Net current liabilities		<u>(658,153)</u>	<u>(611,147)</u>
Total assets less current liabilities		1,860,713	1,944,138
Creditors: amounts falling due after more than one year	9	<u>(1,603,619)</u>	<u>(1,603,138)</u>
Net assets		<u>257,094</u>	<u>341,000</u>
Income funds			
Unrestricted funds			
Unrestricted income funds		23,892	107,798
Revaluation reserve	10	233,202	233,202
		<u>257,094</u>	<u>341,000</u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.


 Dhiren Gadhia - Trustee


 Mahendra Gokani - Trustee

Approved by the board on 29 Jan 2009

The Lohana Mahajan (UK) Trust
Notes to the Accounts
for the year ended 31 December 2007

1 Accounting policies

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Statements of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, and Financial Reporting Standard for Smaller Entities. (effective January 2007) and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Going concern

The financial statements are presented on a going concern on the basis of continual financial support from the funders and contributors who have advanced an interest free loan to facilitate the acquisition of freehold land and building.

Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurements.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the cost associated with attracting donations and fundraising events and functions.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	2% straight line
Fixtures, fittings & equipment	10% straight line

No depreciation is provided in respect of freehold land.

Deferred taxation

As the charity is exempt from tax on income and gains no provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

2 Incoming of resources	2007	2007	2006	2006
	£	£	£	£
Donations and gifts				
- Raghuvanshi Mahajan London ('RAMA')	57,725		96,500	
- Lohana community West London (LCWL)	-		-	
- Others	1,001	58,726	500	97,000
Events and functions		47,717		37,462
Miscellaneous income		1,653		352
Interest receivable		54		-
		<u>108,150</u>		<u>134,814</u>

The Lohana Mahajan (UK) Trust
Notes to the Accounts
for the year ended 31 December 2007

3 Resources expended	2007	2006
	£	Restated £
Cost of generating funds		
Events and functions	-	-
Advertising	150	7,063
Marketing and public relations	-	-
	<u>150</u>	<u>7,063</u>
Charitable activities		
Support cost		
Depreciation	40,619	40,619
Cost of organising events and functions	26,347	7,294
Bank loan interest	84,826	132,050
	<u>151,792</u>	<u>179,963</u>

For 2006, events and functions cost is shown under charitable activities. Accordingly comparative is restated.

Direct expenditure	2007	2006
	£	£
Bank interest	2,227	1,365
Bank loan arrangement fees	3,000	-
Bank charges	51	1,025
General and water rates	2,554	3,775
Property maintenance and repairs	1,899	2,920
Electricity charges	18,257	3,807
Casual wages and temporary assistance	-	663
Cleaning	1,610	840
Insurance	7,244	2,185
Printing postage and stationery	-	972
Legal and professional	869	5,779
Consultancy	-	-
Secretarial expenses	-	1,500
Auditors remuneration	-	881
Accountancy fees	888	450
Computer & website costs	-	-
Sundry expenses	1,220	1,934
Travelling	-	34
Entertaining	295	-
	<u>40,114</u>	<u>28,130</u>
Total resources expended	<u>192,056</u>	<u>215,156</u>

4 Net outgoings resources	2007	2006
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	40,619	58,527
Remuneration to the trustees or any persons connected with them	-	-
Auditors' remuneration	-	2,350
Staff costs	-	-
	<u>-</u>	<u>-</u>

5 Taxation

As a charity, The Lohana Mahajan (UK) Trust is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

The Lohana Mahajan (UK) Trust
Notes to the Accounts
for the year ended 31 December 2007

6 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2007	2,645,000	9,431	2,654,431
Additions	4,200	-	4,200
Surplus on revaluation	-	-	-
Disposals	-	-	-
At 31 December 2007	<u>2,649,200</u>	<u>9,431</u>	<u>2,658,631</u>
Depreciation			
At 1 January 2007	95,546	3,600	99,146
Charge for the year	39,675	944	40,619
Surplus on revaluation	-	-	-
On disposals	-	-	-
At 31 December 2007	<u>135,221</u>	<u>4,544</u>	<u>139,765</u>
Net book value			
At 31 December 2007	<u>2,513,979</u>	<u>4,887</u>	<u>2,518,866</u>
At 31 December 2006	<u>2,549,454</u>	<u>5,831</u>	<u>2,555,285</u>
Freehold land and buildings:		2007	2006
		£	£
Historical cost		<u>2,411,798</u>	<u>2,411,798</u>
Cumulative depreciation based on historical cost		<u>87,122</u>	<u>51,028</u>

All other tangible fixed assets are stated at historical cost.

7 Debtors	2007	2006
	£	£
Other debtors	-	2,102
Lohana Community West London	<u>8,954</u>	<u>-</u>
	<u>8,954</u>	<u>2,102</u>

8 Creditors: amounts falling due within one year	2007	2006
	£	Restated £
Bank loans and overdrafts	44,322	24,312
Trade creditors and accruals	89,971	77,919
Lohana Community West London	-	2,746
Other creditor	35,000	35,000
Amount owed to trustees	25,100	10,100
Amount owed to contributors and funders	<u>476,686</u>	<u>481,686</u>
	<u>671,079</u>	<u>631,763</u>

For 2006 amounts owed to other creditor and trustees are shown separately for comparison purposes.

9 Creditors: amounts falling due after one year	2007	2006
	£	£
Bank loan	<u>1,603,619</u>	<u>1,603,138</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Bank loan	<u>1,603,619</u>	<u>1,603,138</u>

The bank loan is secured on the assets of the company.

The Lohana Mahajan (UK) Trust
Notes to the Accounts
for the year ended 31 December 2007

10 Revaluation reserve	2007	2006
	£	£
At 1 January 2007	233,202	233,202
Arising on revaluation during the year	-	-
At 31 December 2007	<u>233,202</u>	<u>233,202</u>

11 Related parties

The amount owed to the trustees £25,100 (2006 £10,100) is shown under creditors.

The trustees also serve on the management committee/board of directors of Lohana Community West London and Raghuvanshi Mahajan London ('RAMA') and to this extent these two organisations are considered related parties.

The donations received from the above organisations are shown in the notes 2 to the accounts.

The amount due from Lohana Community West London is included under debtors.

12 Post balance sheet event

Since the balance sheet date the charity has refinanced its long term bank loan with another bank.