

GURU NANAK SIKH GURDWARA
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

GURU NANAK SIKH GURDWARA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Sucha Singh Khaira Mr Gurmit Singh Bansi Mr Jarnail Singh Sidhu Mr Jarnail Singh Johal
Charity number	503976
Principal address	1-2 Hadley Park Road Leegomery Telford Shropshire TF1 6PW
Registered office	1-2 Hadley Park Road Leegomery Telford Shropshire United Kingdom TF1 6PW
Independent Examiner	Taheer Afzal ACA BSS & Co (Accountancy Services) Limited 75 Aston Road Shifnal Shropshire TF118DU

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GURU NANAK SIKH GURDWARA

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year 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 Trust Deed, the Charities Act 2011 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

To advance the sikh religion in accordance with the teaching of siri guru granth sahib ji and to advance the education and religion of his followers.

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

Achievements and performance

The trustees consider that the performance of the charity this year has been reasonable when comparing the activity to the previous year. During the year, the charity generated £72,154 donations from charitable activities as compared to £25,978 in the previous year. Total income increased by 63% from £49,785 to £80,961, and total expenditure increased by 36% from £50,152 to £68,254.

Financial review

The charity holds reserves of £737,829 (2021: £725,122) which are unrestricted funds. These funds are held in order to meet any unforeseen expenditure that may occur.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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 charity is an unincorporated association and is governed by it's constitution. Trustees are appointed through a process of election.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr Sucha Singh Khaira
Mr Gurmit Singh Bansi
Mr Jarnail Singh Sidhu
Mr Jarnail Singh Johal

The Trustees report was approved by the Board of Trustees, and signed on their behalf by:

.....
Mr Sucha Singh Khaira
Trustees
Dated:

.....

GURU NANAK SIKH GURDWARA

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GURU NANAK SIKH GURDWARA

I report to the trustees on my examination of the financial statements of Guru Nanak Sikh Gurdwara (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Taheer Afzal

ACA
BSS & Co (Accountancy Services) Limited
75 Aston Road
Shifnal
Shropshire
TF118DU

Dated:

GURU NANAK SIKH GURDWARA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds	Unrestricted funds
		2022	2021
	Notes	£	£
<u>Income and endowments from:</u>			
Donations and legacies	3	72,154	25,978
Investments	4	23	177
Other income	5	8,784	23,630
Total income		<u>80,961</u>	<u>49,785</u>
<u>Expenditure on:</u>			
Raising funds	6	<u>22,677</u>	<u>19,396</u>
Charitable activities	7	<u>45,577</u>	<u>30,756</u>
Total expenditure		<u>68,254</u>	<u>50,152</u>
Net income/(expenditure) for the year/ Net movement in funds		12,707	(367)
Fund balances at 1 April 2021		<u>725,122</u>	<u>725,489</u>
Fund balances at 31 March 2022		<u><u>737,829</u></u>	<u><u>725,122</u></u>

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

All income and expenditure derive from continuing activities.

GURU NANAK SIKH GURDWARA

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		457,484		471,830
Current assets					
Cash at bank and in hand		280,356		252,585	
Creditors: amounts falling due within one year	11	(11)		707	
Net current assets			280,345		253,292
Total assets less current liabilities			737,829		725,122
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		440,400		427,693	
Revaluation reserve		297,429		297,429	
			737,829		725,122
			737,829		725,122

In relation to the financial statements which comprise and the related notes:

- The trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the charity will continue in operation.
- The trustees confirm that they have made available to B.S.S. & Co (Accountancy Services) Limited, all the charity's accounting records and provided all the information necessary for the compilation of the financial statements.
- The trustees confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of the charity for the year ended 31 March 2021.

The financial statements were approved by the Trustees on

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Mr Sucha Singh Khaira
Trustee

GURU NANAK SIKH GURDWARA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Guru Nanak Sikh Gurdwara is a public benefit entity and a registered charity in England and Wales and is unincorporated.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

GURU NANAK SIKH GURDWARA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% SL
Fixtures and fittings	20% RB

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

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.

GURU NANAK SIKH GURDWARA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

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.

1.10 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the partners for particular future project or commitment. Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

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.

GURU NANAK SIKH GURDWARA

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	72,154	25,978

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	23	177

5 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Other income	8,145	17,757
Other income	639	5,873
	<u>8,784</u>	<u>23,630</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	220	200
Other fundraising costs	5,082	545
Staff costs	17,060	18,100
Support costs	315	551
Fundraising and publicity	<u>22,677</u>	<u>19,396</u>

GURU NANAK SIKH GURDWARA

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

6 Raising funds

(Continued)

22,677	19,396
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7 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
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Depreciation and impairment	16,626	16,500
Rates	2,708	2,814
Insurance	1,786	1,713
Light and Heat	7,053	6,137
Repairs and Maintenance	16,918	3,298
Telephone	486	294
	<u>45,577</u>	<u>30,756</u>
	<u>45,577</u>	<u>30,756</u>

8 Trustees

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

9 Employees

Number of employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
2	2

Employment costs

	2022 £	2021 £
Wages and salaries	<u>17,060</u>	<u>18,100</u>

There were no employees whose annual remuneration was £60,000 or more.

GURU NANAK SIKH GURDWARA

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

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	742,541	64,491	807,032
Additions	-	2,280	2,280
At 31 March 2022	742,541	66,771	809,312
Depreciation and impairment			
At 1 April 2021	277,305	57,897	335,202
Depreciation charged in the year	14,851	1,775	16,626
At 31 March 2022	292,156	59,672	351,828
Carrying amount			
At 31 March 2022	450,385	7,099	457,484
At 31 March 2021	465,236	6,594	471,830

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	11	371
Other creditors	-	(1,420)
Accruals and deferred income	-	342
	11	(707)

12 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).