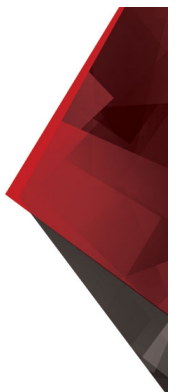


Charity Registration No. 506845

GURDWARA NANAK SAR
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

patara | CHARTERED
ACCOUNTANTS



GURDWARA NANAK SAR

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Manjit Kaur (President) Mr Ranjit Singh (Vice President) Mr Lakha Singh (General Secretary) Mr Ranbir Singh Rai (Asst. Gen Sec.) Mr Pritam Singh Khangura (Treasurer) Mrs Sukhjinder Kaur (Stage Sec.)	(Appointed 25 May 2021) (Appointed 25 May 2021) (Appointed 25 May 2021) (Appointed 25 May 2021) (Appointed 25 May 2021) (Appointed 25 May 2021)
Secretary	Mr Lakha Singh (General Secretary)	
Charity number	506845	
Principal address	4 Wellington Street Pleck Walsall West Midlands WS2 9QR	
Independent examiner	Andersons Accountant & Tax Advisors Ltd t/as Patara Enterprise House 352 Bearwood Rd Bearwood Birmingham B66 4ET	

GURDWARA NANAK SAR

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GURDWARA NANAK SAR

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

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 governing document, 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)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The charity's objectives and aims of the charity continues to be to promote the teachings of the Sikh religion and to establish, organise and maintain for all persons whether members or not, religious and educational services and facilities.

The charity has also continued to be an integral part of the community and further increasing both awareness and cultural activities of the Sikh religion.

The policies adopted in furtherance of these objectives are the provision of a place of worship (Gurdwara) and there has been no change in these during the year.

During the year the Gurdwara had improved the facilities of the car park.

The aim of the charity is to provide a place for the provision of public rituals and ceremonies for the benefit of the local Sikh community so they can practice their religion.

The objectives for the year is to provide a place of worship including provision of wedding ceremonies for the local Sikh community. To ensure that the Gurdwara is run in accordance with the wishes of the congregation.

The Charity raises enough money to be able to finance the running costs and loan repayments for the year.

Criteria to assess success of the Charity is the happiness of the congregation and the local Sikh community.

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

The Gurdwara (Temple) carried out the following activities during the year: See Achievements and performance section.

The Gurdwara relies heavily on the use of volunteers from the community.

Achievements and performance

- The charity is fulfilling its main objective of providing a place of worship and for the provision of wedding ceremonies for the local Sikh community satisfactorily.
- The charity makes donations to local community organisations with similar objectives if and when required.
- The charity continues to hire Community Centre, which it owns and is adjacent to the Gurudwara for the purpose of providing community services and raise income to fulfil the objective of the charity.
- The community celebrates Gurburabs every year with great energy along with the New Year celebrations.
- Nagar Kirtan is done during April / May each year.

GURDWARA NANAK SAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

The Gurdwara (Temple) is funded by donations from the congregation as well as income from the hire of the Community Centre. The charity is operating satisfactorily and has surplus funds.

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 principal sources of income is donations and hire of Community Centre. The income is used to provide a place of worship and for the wedding ceremonies for the local Sikh community.

The trustees has 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 principal risks and uncertainties facing the Gurdwara is Brexit and the COVID-19. Brexit does not have direct impact on the Gurdwara other than that in line with the general effect on the British economy and the uncertainty it causes to the business community in general. With regards COVID-19 the future is still uncertain but the Gurdwara is managing the risk in a satisfactory manner

The trustees has 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.

COVID-19 & BREXIT.

This has made an unprecedented global economic impact with lockdowns and business closures - the long term impacts are unclear.

The impact of COVID-19 on the financial statements is generally considered a non-adjusting event. The Gurdwara has had to close it's premises temporarily in line with Government policy of dealing with CoVid 19 virus. The Gurdwara has resorted to Government Support in the form of grants, furlough scheme and Government backed loans.

The Gurdwara's turnover and income has suffered as a result of lockdowns measures enforced by the Government.

Although it is not yet possible to predict the overall potential impacts of the COVID-19 outlook on the overall UK economy and the uncertainty it causes, the Trustees are confident that the discovery of the vaccine will reduce any major impact of COVID-19 on the Gurdwara.

The Trustees are planning to develop a investment property into a Sikh Centre.

Structure, governance and management

The charity was established by a charitable trust deed (constitution) adopted 23rd April 1978, as amended 17th October 2009 and is an unincorporated association.

Under the basic principal of Sikhism the premises are open to all with restriction that no alcohol or drugs are allowed on the premises.

The charity is registered with the Charity Commission for England and Wales.

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

Mrs Manjit Kaur (President)	(Appointed 25 May 2021)
Mr Ranjit Singh (Vice President)	(Appointed 25 May 2021)
Mr Lakha Singh (General Secretary)	(Appointed 25 May 2021)

GURDWARA NANAK SAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Mr Ranbir Singh Rai (Asst. Gen Sec.)	(Appointed 25 May 2021)
Mr Pritam Singh Khangura (Treasurer)	(Appointed 25 May 2021)
Mrs Sukhjinder Kaur (Stage Sec.)	(Appointed 25 May 2021)

The trustees are appointed after wider consultation in the Sikh Community.

The Gurdwara is run by the community, for the community with the help of a management committee under the control of the Trustees. The management committee is appointed from the congregation every two years (April/May).

The decisions are made after consultation with the regular congregation.

The Trustees are encouraged to attend courses to keep themselves acquainted with the duties and responsibilities of the trustees.

The management committee provide their services on a voluntary basis.

The Gurdwara (Temple) works with the local community organisations in order to promote the objectives of the charity

The Gurdwara does not allow alcohol or drugs or people under the influence of alcohol or drugs on the premises.

The Gurdwara (Temple) does not have any related parties.

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

Mr Lakha Singh (General Secretary)

Trustee

Dated: 31 December 2021

GURDWARA NANAK SAR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees 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).

The law applicable to charities in England and Wales 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 of the charity 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 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

GURDWARA NANAK SAR

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GURDWARA NANAK SAR

We report to the trustees on our examination of the accounts of GURDWARA NANAK SAR (the charity) for the year ended 31 March 2021.

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).

We report in respect of our examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out our examination we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us 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.

We 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.

Andersons Accountant & Tax Advisors Ltd t/as Patara

Enterprise House
352 Bearwood Rd
Bearwood
Birmingham
B66 4ET

Dated: 31 December 2021

GURDWARA NANAK SAR

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and gift	3	110,612	150,780
<u>Expenditure on:</u>			
Raising funds	4	180	-
<u>Charitable activities</u>			
<u>The costs of charitable activities carried out by the Gurdwara are as follows:</u>			
Gurdwara Costs	5	93,432	107,619
Donations	5	75	4,243
Religion Promotion	5	-	3,401
Total charitable expenditure		93,507	115,263
Governance costs	9	4,471	5,553
Total resources expended		98,158	120,816
Net income for the year/ Net movement in funds		12,454	29,964
Fund balances at 1 April 2020		2,009,046	1,979,082
Fund balances at 31 March 2021		2,021,500	2,009,046

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

All income and expenditure derive from continuing activities.

GURDWARA NANAK SAR

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		2,007,435		2,009,816
Current assets					
Debtors	11	58,584		67,594	
Cash at bank and in hand		118,177		53,126	
			<u>176,761</u>		<u>120,720</u>
Creditors: amounts falling due within one year	13	(21,192)		(26,921)	
Net current assets			<u>155,569</u>		<u>93,799</u>
Total assets less current liabilities			<u>2,163,004</u>		<u>2,103,615</u>
Creditors: amounts falling due after more than one year	14		(141,504)		(94,569)
Net assets			<u><u>2,021,500</u></u>		<u><u>2,009,046</u></u>
Income funds					
Unrestricted funds - general			<u>2,021,500</u>		<u>2,009,046</u>
			<u><u>2,021,500</u></u>		<u><u>2,009,046</u></u>

The financial statements were approved by the Trustees on 31 December 2021

Mrs Manjit Kaur (President)
Trustee

Mr Pritam Singh Khangura (Treasurer)
Trustee

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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)" (as amended for accounting periods commencing from 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 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.

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.

1.5 Expenditure

Governance costs includes legal and professional costs which are not capable of being allocated to any charitable activity.

The charity has only a few relevant activity categories on which resources are expended and as such the costs between the different categories are easily allocated without the use of any method of apportionment.

Place of Worship

The charity provides a place of worship and provision of wedding ceremonies for the local Sikh community.

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Donations

The charity provides small amount of donations to local community organisations with similar objectives.

Religion Promotion

The charity carries out various events to promote the basic principles of the Sikh religion.

Investment Income

The Gurdwara has a Community Centre within the vicinity of the temple to generate rental income to fund activities of the Gurdwara.

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	See below
Fixtures and fittings	15% Reducing Balance
Motor vehicles	25% Reducing Balance

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 net income/(expenditure) for the year.

No Depreciation.

No depreciation is provided in respect of freehold land and buildings. The charity has a policy of regular maintenance and repair, so that the asset maintains its performance standards. The assets are not expected to suffer from economic or technological obsolescence and the estimated residual values are material. An impairment review is carried out annually on the tangible fixed assets other than non-depreciable land), at the end of each accounting period, where: - no depreciation is charged as it is deemed immaterial because of the length of the remaining useful economic life or where the estimated residual value is not markedly different from the carrying amount; or - the tangible fixed assets estimated useful economic life exceeds 50 years.

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.

1.9 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.

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

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 gift

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	77,828	120,641
Grants receivable for core activities	32,784	30,139
	<u>110,612</u>	<u>150,780</u>
Donations and gifts		
Donations and gifts	76,578	118,141
Donations and gifts in Kind	1,250	2,500
	<u>77,828</u>	<u>120,641</u>

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and gift

(Continued)

The Charity receives gifts in kind mainly in the form of food as part of the congregational offerings. These gifts in kind are used as part of the free langar (food) and as part of the items required in the day to day running of the Gurdwara (Temple). The amount involved is not material in relation to the total incoming resources. The gifts in kind of food offering has been estimated in the accounts.

The charity has not received any legacies during the year.

Grants receivable for core activities

Gift Aid	22,851	30,139
HMRC - JRS Grant	9,933	-
	<u>32,784</u>	<u>30,139</u>

4 Raising funds

	Unrestricted funds general 2021 £	Total 2020 £
<u>Fundraising and publicity</u>		
Fundraising agents	180	-
	<u>180</u>	<u>-</u>

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Charitable activities

5The costs of charitable activities carried out by the Gurdwara are as follows:

	Gurdwara Costs 2021 £	Donations 2021 £	Religion Promotion 2021 £	Total 2021 £	Total 2020 £
Depreciation and impairment	5,255	-	-	5,255	7,962
Rates	6,273	-	-	6,273	6,480
Property Insurance	22,636	-	-	22,636	39,294
Heat and Light	5,727	-	-	5,727	6,572
Food Supplies	3,559	-	-	3,559	18,608
Flowers and Decorations	-	-	-	-	911
Wages and NIC	36,000	-	-	36,000	9,000
Repairs and Maintenance	8,849	-	-	8,849	13,030
Telephone	1,193	-	-	1,193	1,145
Motor and transport expenses	1,269	-	-	1,269	1,460
Cleaning and sundry expenses	2,568	-	-	2,568	2,964
Stationery	103	-	-	103	193
Small Donations	-	75	-	75	4,243
Preachers	-	-	-	-	3,401
	<u>93,432</u>	<u>75</u>	<u>-</u>	<u>93,507</u>	<u>115,263</u>
	<u>93,432</u>	<u>75</u>	<u>-</u>	<u>93,507</u>	<u>115,263</u>

6 Description of charitable activities

Gurdwara Costs

Provision of place of worship and wedding ceremonies for the local Sikh community.

Donations

The charity provides small amount of donations to local community organisations with similar objectives.

Religion Promotion

The charity promotes the basic principles of Sikh religion.

Investment Income

The Gurdwara has Community Centre within the vicinity of the temple to generate additional income to fund activities of the Gurdwara.

7 Trustees

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

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Preachers	3	3

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

9 Governance costs

	2021	2020
	£	£
Accountancy Fees	900	900
Independent Examiners Fee	400	450
Financing costs	3,171	4,203
	<u>4,471</u>	<u>5,553</u>

10 Tangible fixed assets

	Freehold land and buildings	Fixtures and Motor vehicles fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020	1,974,781	157,528	27,608	2,159,917
Additions	-	2,874	-	2,874
	<u>1,974,781</u>	<u>160,402</u>	<u>27,608</u>	<u>2,162,791</u>
Depreciation and impairment				
At 1 April 2020	-	122,493	27,608	150,101
Depreciation charged in the year	-	5,255	-	5,255
	<u>-</u>	<u>127,748</u>	<u>27,608</u>	<u>155,356</u>
Carrying amount				
At 31 March 2021	<u>1,974,781</u>	<u>32,654</u>	<u>-</u>	<u>2,007,435</u>
At 31 March 2020	<u>1,974,781</u>	<u>35,035</u>	<u>-</u>	<u>2,009,816</u>

GURDWARA NANAK SAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	1,532	2,430
Prepayments and accrued income	57,052	65,164
	<u>58,584</u>	<u>67,594</u>

12 Loans and overdrafts

	2021	2020
	£	£
Bank loans	148,695	106,189
Payable within one year	7,191	11,620
Payable after one year	141,504	94,569
	<u>148,695</u>	<u>106,189</u>
	<u>148,695</u>	<u>106,189</u>

The long-term loans are secured by fixed charges over the Gurdwara premises.

13 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	12	7,191	11,620
Trade creditors		-	1,300
Other creditors		12,700	12,700
Accruals and deferred income		1,301	1,301
		<u>21,192</u>	<u>26,921</u>

14 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	12	141,504	94,569
		<u>141,504</u>	<u>94,569</u>

15 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.

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).