

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

GURU NANAK DARBAR GURDWARA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Singh Chhina S Singh Sidhu G Singh Sundhers J Singh R K Dhaliwal
Charity number	1045088
Principal address	19 A Church Parade Oakengates Telford United Kingdom TF2 6EX
Independent examiner	B.S.S. & Co (Accountancy Services) Limited 75 Aston Road Shifnal Shropshire United Kingdom TF11 8DU

GURU NANAK DARBAR GURDWARA

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GURU NANAK DARBAR GURDWARA

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 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 [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)" (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 satisfactory with the activity staying in line with the previous year. During the year the charity generated £39,339 donations from charitable activities as compared to £89,184 in the previous year.

Financial review

The charity holds reserves of £467,688(2020 £454,168) 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 consider 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:

D Singh Chhina
S Singh Sidhu
G Singh Sundhers
J Singh
R K Dhaliwal

GURU NANAK DARBAR GURDWARA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees report was approved by the Board of Trustees.

D Singh Chhina
Trustee

S Singh Sidhu
Trustee

R Kaur Dhaliwal
Trustee

J Singh
Trustee

G Singh Sundhers
Trustee

9 December 2021

GURU NANAK DARBAR GURDWARA

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GURU NANAK DARBAR GURDWARA

I report to the trustees on my examination of the financial statements of Guru Nanak Darbar Gurdwara (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).

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.

B.S.S. & Co (Accountancy Services) Limited

75 Aston Road
Shifnal
Shropshire
TF11 8DU
United Kingdom

Dated: 9 December 2021

GURU NANAK DARBAR GURDWARA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	46,526	89,184
<u>Expenditure on:</u>			
Raising funds	4	17,820	28,871
Charitable activities	5	14,889	36,474
Other	8	1,712	1,712
Total resources expended		34,421	67,057
Net income for the year/ Net movement in funds		12,105	22,127
Fund balances at 1 April 2020		455,583	432,041
Fund balances at 31 March 2021		467,688	454,168

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

All income and expenditure derive from continuing activities.

GURU NANAK DARBAR GURDWARA

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Property, plant and equipment	9		487,705		489,932
Current assets					
Cash at bank and in hand		12,842		6,597	
Current liabilities	11	(32,859)		(42,361)	
Net current liabilities			(20,017)		(35,764)
Total assets less current liabilities			467,688		454,168
Income funds					
Unrestricted funds			467,688		454,168
			467,688		454,168

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 2020.

The financial statements were approved by the Trustees on 9 December 2021

D Singh Chhina
Trustee

S Singh Sidhu
Trustee

J Singh
Trustee

G Singh Sundhers
Trustee

R Kaur Dhaliwal
Trustee

GURU NANAK DARBAR GURDWARA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Guru Nanak Darbar 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 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.

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.

GURU NANAK DARBAR GURDWARA

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

1 Accounting policies

(Continued)

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 Property, plant and equipment

Property, plant and equipment 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:

Fixtures and fittings	20% on WDV
Computers	20% on WDV

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 non-current 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 trade and other receivables 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 DARBAR GURDWARA

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

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables 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 payables 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 payables 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 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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	39,339	89,184
Government Grants	7,187	-
	<u>46,526</u>	<u>89,184</u>

GURU NANAK DARBAR GURDWARA

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

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Staff costs	12,245	21,929
Support costs	5,575	6,942
	<u>17,820</u>	<u>28,871</u>
Fundraising and publicity	<u>17,820</u>	<u>28,871</u>

5 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2021	2020
	£	£
Staff costs	446	-
Depreciation and impairment	2,228	2,784
Rates & Water	1,117	2,620
Insurance	1,101	1,115
Light & Heat	6,230	16,135
Repairs & Maintenance	3,271	12,201
Post & Stationery	-	1,619
Charitable expenditure heading 8	496	-
	<u>14,889</u>	<u>36,474</u>
	<u>14,889</u>	<u>36,474</u>

6 Trustees

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

GURU NANAK DARBAR GURDWARA

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

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	1	2
Employment costs	2021	2020
	£	£
Wages and salaries	12,245	21,929
Other pension costs	446	-
	12,691	21,929

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

8 Other

	Unrestricted funds	Unrestricted funds
	2021	2020
Financing costs	1,712	1,712
	1,712	1,712

9 Property, plant and equipment

	Freehold Property £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2020	478,795	50,113	780	529,688
At 31 March 2021	478,795	50,113	780	529,688
Depreciation and impairment				
At 1 April 2020	-	39,209	546	39,755
Depreciation charged in the year	-	2,181	47	2,228
At 31 March 2021	-	41,390	593	41,983
Carrying amount				
At 31 March 2021	478,795	8,723	187	487,705
At 31 March 2020	478,795	10,903	234	489,932

GURU NANAK DARBAR GURDWARA

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

9 Property, plant and equipment (Continued)

10 Borrowings

	2021 £	2020 £
Bank loans	35,611	41,774
Payable within one year	35,611	41,774

11 Current liabilities

	Notes	2021 £	2020 £
Bank loans	10	35,611	41,774
Other taxation and social security		925	369
Other payables		(3,631)	-
Accruals and deferred income		(46)	218
		32,859	42,361

12 Related party transactions

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

13 Analysis of changes in net (debt)/funds

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	6,597	6,245	12,842
Loans falling due within one year	(41,774)	6,163	(35,611)
	(35,177)	12,408	(22,769)