

**Trustees' Report and
Audited Financial Statements for the Year Ended 31st December 2020
for
Human Welfare International Charitable
Trust**

**S. Syedain & Co
Chartered Accountants & Statutory Auditors
First Floor
87 Kenton Road
Harrow
Middlesex
HA3 0AH**

**Human Welfare International Charitable
Trust**

**Contents of the Financial Statements
for the Year Ended 31st December 2020**

	Page
Trustees' Report	1 to 8
Statement of Trustees' Responsibilities	9
Report of the Independent Auditors	10 to 12
Statement of Financial Activities	13
Statement of Financial Position	14 to 15
Statement of Cash Flows	16
Notes to the Statement of Cash Flows	17
Notes to the Financial Statements	18 to 28
Detailed Statement of Financial Activities	29 to 30

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2020

The trustees present their report with the financial statements of the charity for the year ended 31st December 2020. 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 Aim

The primary object of the Trust is to relieve poverty and sickness in India and elsewhere, particularly by providing funds, support and assistance to building and ongoing support for its running of the Guru Amardas Charitable Hospital and Institute of Medical Sciences in Ludhiana, Punjab, India and any other charitable hospitals or institutions as it may from time to time be selected by the trustees.

Further objects are to advance education in India and the UK, particularly by the establishment of a school in India and the provision of classes in the UK. To assist persons, both spiritually and financially where necessary, who are in hardship or distress as a result of their social, domestic or economic circumstances.

Significant activities

The Trust's income is mainly derived from donations made by members of the congregation who attend the Gurdwaras' operated by the Trust in Southall and Leicester. A free kitchen called "langar" is part of the service provided every day and vegetarian food is available twenty-four hours a day, every day of the week, to members of the public. The Gurdwaras' are open 365 days of the year to Sikhs and non-Sikhs alike and is free to all.

We provide cultural and regular public services, blessings and ceremonies at both the Gurdwaras'. The daily religious services in the Gurdwaras' are the core activities in furtherance of the Trust's objects and it will continue to attract more of the local community to attend the Gurdwaras' and to encourage more fundraising activities from the local communities to assist in achieving its objectives. The Trust relies on donations from the community to cover its operating costs, loan repayments and to fulfil its objectives.

Eventhough donations were reduced as expected due to lockdown since both the Guardwaras' remained closed for most of the year, we started evening religious programmes that were broadcast via Zoom and these were sponsored by members of the congregations. This assisted in maintaining the Trust's income during the year. Furthermore we continued supplying hot meals on a daily basis during the lockdown period where we served approximately 500 to 700 meals a day and these were supplied in takeaway containers for the general public which also included non Sikhs.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. It is the trustee's opinion that the operation of the Trust in its present form is for the public benefit under the principles set out in the Charity Commission guidance.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2020**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the financial year of 2020 apart from the above mentioned objectives and in support of the above achievements, the following activities and events were undertaken by the Trust: -

As usual, 14 days Simran-jaap events were hosted in Southall in April for Vaisakhi programme, and in November for Guru Nanak Dev ji's GURPURAB, although the above programmes were broadcasted via Zoom and worshippers from all over the country were able to participate. This proved to be very successful.

In fact, we have no hesitation of saying that other Gurdwaras have taken inspiration from us and started similar types of programmes in their respective Gurdwaras. We can also say that other Gurdwaras have been inspired by our programme and have started a similar meditation programme which is normally hosted by young children, as it is important to us to involve the younger generation.

We have started giving leads and control to the younger generation and they now look forward to hosting these programmes and other similar programmes. Some of the youngsters have also learnt Punjabi language at our Gurdwara, which is helping them and the Trust, as they can now read the "Sri Guru Granth Sahib" which is our Holy Book as and when it is required. It is giving inspirations to other youngsters as well, which is quite satisfying to the trustees and the Trust.

We have noticed that a higher number of homeless and poor people have started to come to our Temple for free food. Even though they are not Sikhs it gives us immense pleasure to serve them hot food and also give them some grocery from our kitchen. It is our policy not to turn people away and our langar is open to all people of all faiths, if available, to help them out. This gives us a tremendous amount of satisfaction knowing that we are helping our community and society.

Over the previous few years some of the congregation including the Trustees have visited India to see the progress of the Guru Amardass Hospital in Ludhiana. The construction of the hospital has now been completed and the infrastructure is the only element remaining for the hospital development to be completed.

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2020

FINANCIAL REVIEW

Financial position

The primary funding source is donations from both the Gurdwara congregations. The funds from this source are used to provide the congregation with well maintained Gurdwaras' in Southall and Leicester and other resources in order to achieve the objectives of the charity.

The net income for the year amounted to £3,094; (2019: £125,044) and this was attributable to general reserves, which now stands at £2,644,235 (2019: £2,641,141). The net income includes realised gains from increase in market value of the properties.

The market value of the investment properties have increased by 2% as compared to the previous year.

Donation income has reduced by 38% during the year to £280,196 (2019: 452,405) which is due to the effects of lockdown during the year. The total resources expended had decreased to £349,406 (2019: £492,101) as expected since free langar was still provided during the year.

The interest rate for the loan taken in March 2012 was re-negotiated with the bank during 2019 at a fixed rate and for a period of 7 years and 10 months. The charity has been able to maintain its net assets at above the minimum amount as part of the condition of both the loans.

Rental income from the Trust's investment properties has also increased as all the properties were on rent for most of the year as compared to the previous year. The Trustees' expect this amount to increase further in 2021 as they anticipate the properties to be let throughout the following year.

During the covid period the Trust was granted financial assistance from the Government. The Trust claimed furlough grant during the lockdown period.

Reserves policy

The Trust relies on donations and offerings from its members and the trustees have now taken an active role in ensuring that some of their properties are rented out to ensure a regular rental income. It is recognised that donations can fluctuate from year on year. The trustees aim to ensure that the Trust has sufficient resources to continue its activities and to meet its obligations especially towards its bank loan repayments. As a result the trustees have reviewed the Trust's reserves policy and it was decided that the Trust would try to keep at least 10%, as per last year, of the total monies borrowed by the Trust in its bank account.

The Trust had total funds of £2,644,235 (2019:£2,641,141) which are unrestricted and available for the general purposes of the Trust. It is felt that, at this level, it would be possible to continue the current activities of the Trust in the event of a significant drop in donations. This would then give sufficient time to consider how the funding would be replaced or the activities changed.

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2020

FUTURE PLANS

We believe that by bringing extra congregation and young generation, we may not be increasing the turnover in short term of time, but it should prove very fruitful for everyone in a long term in terms of not only financial gains but spiritual goals and also fulfilling our responsibilities towards the community at large and also to the country, where we live in.

We believe that our Centres are providing more help to the local community now than in the past, as per explanations with regards to lot more programme for youngsters, lot more needy people coming to the centre for food and other help etc. We sincerely believe that 2021 would be a better year for the whole world in terms of getting rid of Covid virus.

The Trust has run another successful year (considering the Covid and lock down situation in the whole world) and we really do not see any failures and do not foresee any major issue or problem apart from encouraging more volunteers and youngsters to give their valuable time and if we can provide the congregation, society a valuable service, then perhaps we would have satisfaction in terms of spiritual goals etc.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Charity constitution

The trust was set up by deed dated 30th October 1995 and supplementary deeds dated 10th March 1998, 26th June 2006, 31st January 2008 and 17th June 2009.

Appointment of trustees

The trustees are responsible for the administration and investment policy of the Charity. Trustees are appointed and removed by the board of trustees after deliberation with the Chairman.

Induction training is given to the trustees on appointment. Trustees are encouraged to attend courses to keep themselves acquainted with the duties and responsibilities of the trustees.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

A board of trustees (the "Board"), which meets regularly throughout the year, administers the charity. The Chairman of the trust is responsible for setting the general strategy and direction of the trust, whereas the administration and operational responsibilities pertaining to the trust fall to the board.

The trustees in the UK manage the day to day management of the Trust and all management decisions are made by them as there are not any employed key management personnel with the Trust.

The trustees who served during the year were:

Baba Jaswant Singh Ji - Chairman (deceased 20.11.2020)

Amarjit Singh

Daljit Singh Saggu

Surinder Singh Jagdev

Gurvinder Pal Singh Kohli

Anhad Raj Singh

Volunteers

Many volunteers give up their time to help with day-to-day tasks at the Sikh temples (Gurdwaras) operated by the Trust, particularly at weekends and in the evenings. The trustees are greatly indebted to these volunteers for their contribution, commitment and support.

Related parties

The Chairman B J Singh (Deceased 20.11.2020) was also the chairman of Guru Amardass Charitable Hospital and Institute of Medical Sciences in Ludhiana, Punjab, India where the Trust donates part of its donations as per its deeds.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees recognise that the real estate assets of the Trust, and the capital sums borrowed against these assets, exposes the trust to risks in terms of meeting its repayment obligations and in terms of any structural or emergency remedial work that might need to be carried out to the real estate assets. Furthermore, there is a risk of incurring financial penalties and risk of legal action if the assets are not administered in a timely and proper manner.

The trustees also recognise that donations can fluctuate each year which is widely dependant on the economic climate. They also recognise that it is becoming much more difficult to find suitable priests and people to read the Holy Book due to more control on the immigration policy of the government.

The trustees have taken the following measures to mitigate these risks:

Introducing programmes for young generations and trying to make food which is preferred by them. They are trying to give responsibility to the younger members of the congregation to get them more involved and to ensure that they can attract further interest from the younger generation. The programmes are being taught in English to enable more people to attend and to gain further knowledge of the Sikhism religion.

We do think that by doing these activities, we would be spending more resources but would be doing a great job for the youngsters, their parents and mainly for the community at large as once they start coming to the Gurdwara, start taking parts in religious activities, would ensure that they will not be indulging in other anti social activities etc. Secondly, we would be preparing a generation, who would be taking over the charity to take further when we are not in this world.

We do not foresee any problem with the repayment of the bank loan as the interest rate for the initial loan is fixed at low rate and the Trust has never defaulted on the loan repayments.

The trustees have started exploring the possibilities to apply for a licence from the home office which will help the Trust to employ Priests and religious workers according to the standard set up by Sikh Ethos and Sikh Religion.

The trustees also recognise that it is becoming lot more difficult to find a suitable priest, religious workers and Holy Book readers etc due to lot more control on the immigration policy of the Government.

Also, during 2020, the whole world went through the Covid Epidemic which is still having impact on the whole world, including UK and our Gurdwaras. Our Centres were not opened for the congregations since the lock down started in UK in March 2020 and it kind of continued for the whole of 2020.

During the year 2020, as per the practice and authority given to banks by the Govt of UK, we were allowed to pay only interest only payment on our loan rather than full repayment on both of our loans. We were given this discount for the initial period of 6 months only and then it was extended to further 6 months. Therefore, for the part of 2020 and part of 2021, we only paid the interest only rather than the full repayment. We have now started paying the full repayment instalment.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Property values have also gone up during the period, which makes our loan to value ratio in more favourable to the Trust.

The Trust also acknowledges that we still have a very big site of Leicester, two residential units in Leicester, 4 residential units in Southall, which have no loan or mortgage on them.

REVIEW OF TRUST DEED

The board has already started investing the pro and cons of converting the Trust into a Charitable Incorporated Organisation (CIO). Unfortunately, no progress has been made on this during the year, due to lock down etc.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1050410

Principal address

1A -3 Clifton Road
Southall
Middlesex
UB2 5QP

Trustees

Mr B J Singh (deceased 20.11.20)
Mr D S Saggu
Mr A Singh
Mr S S Jagdev
Mr G P S Kholi
Mr A R Singh

Our current Chairman of the Trust, His Holiness Baba Jaswant Singh jee (Mr B J Singh), was not feeling very well during the year and sadly he passed away on 20/11/2020, leaving us all in a shocking state. It was a darkest day for our trust and congregations and on top of this, most of the congregation, could not even travel to India to join his funeral to offer their respect etc. Although, it was broadcast online and it was seen by the congregations all over the world, with tears in our eyes.

Auditors

S. Syedain & Co
Chartered Accountants & Statutory Auditors
First Floor
87 Kenton Road
Harrow
Middlesex
HA3 0AH

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
Uxbridge
Birmingham OCS4
Ariel House, 2138 Coventry Road
Sheldon
B26 3JW

EVENTS SINCE THE END OF THE YEAR

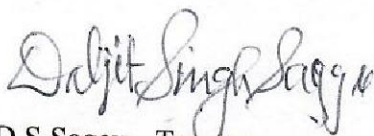
The Chairman of the Trust, His Holiness Baba Jaswant Singh Jee, sadly passed away on 20/11/2020, leaving us all in a state of shock. It was the darkest day for our Trust and congregations and unfortunately most of the congregation could not even travel to India to attend his funeral to offer their respects. It was however broadcasted online and it and been seen by congregations all around the world. .

The Trust in India had appointed his successor Bhai Anhadraj Singh Jee, to whom we all have known since he was born and had spent most of his life under the blessings of His Holiness Baba Jaswant Singh Jee.

The Trust in UK had initially passed a resolution during the year to appoint Bhai Anhadraj Singh Jee as a trustee however after His Holiness Baba Jaswant Singh Jee's death he was automatically appointed as the chairman as stated in the Trust's deeds. The Trust also passed a board resolutions with full quorum to appoint him the Chairman of the Trust.

Additional Information relating to events since the end of the current year is given in the notes to the financial statements.

Approved by order of the board of trustees on 9th June 2022 and signed on its behalf by:



Mr D S Saggu - Trustee

**Human Welfare International Charitable
Trust**

**Statement of Trustees' Responsibilities
for the Year Ended 31st December 2020**

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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping 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 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.

**Report of the Independent Auditors to the Trustees of
Human Welfare International Charitable
Trust**

Opinion

We have audited the financial statements of Human Welfare International Charitable Trust (the 'charity') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Report of the Independent Auditors to the Trustees of
Human Welfare International Charitable
Trust**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
Human Welfare International Charitable
Trust**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks. Including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'S. Syedain + Co.', is written over the printed name of the firm.

S. Syedain & Co
Chartered Accountants & Statutory Auditors
First Floor
87 Kenton Road
Harrow
Middlesex
HA3 0AH

9th June 2022

**Human Welfare International Charitable
Trust**

**Statement of Financial Activities
for the Year Ended 31st December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	285,154	422	285,576	452,405
Investment income	3	46,407	-	46,407	41,740
Total		331,561	422	331,983	494,145
EXPENDITURE ON					
Charitable activities	4				
Religious Activity		108,648	-	108,648	156,897
Charitable Donations		-	-	-	82,000
Support costs and Administration Costs		240,758	-	240,758	253,204
Total		349,406	-	349,406	492,101
Net gains on investments		20,517	-	20,517	123,000
NET INCOME		2,672	422	3,094	125,044
RECONCILIATION OF FUNDS					
Total funds brought forward		2,641,141	-	2,641,141	2,516,097
TOTAL FUNDS CARRIED FORWARD		2,643,813	422	2,644,235	2,641,141

The notes form part of these financial statements

**Human Welfare International Charitable
Trust**

**Statement of Financial Position
31st December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	11	3,082,938	-	3,082,938	3,158,501
Investment property	12	944,394	-	944,394	923,877
		<u>4,027,332</u>	<u>-</u>	<u>4,027,332</u>	<u>4,082,378</u>
CURRENT ASSETS					
Debtors	13	19,363	-	19,363	7,336
Cash at bank and in hand		282,018	422	282,440	310,516
		<u>301,381</u>	<u>422</u>	<u>301,803</u>	<u>317,852</u>
CREDITORS					
Amounts falling due within one year	14	(183,629)	-	(183,629)	(253,179)
NET CURRENT ASSETS		<u>117,752</u>	<u>422</u>	<u>118,174</u>	<u>64,673</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,145,084	422	4,145,506	4,147,051
CREDITORS					
Amounts falling due after more than one year	15	(1,501,271)	-	(1,501,271)	(1,505,910)
NET ASSETS		<u><u>2,643,813</u></u>	<u><u>422</u></u>	<u><u>2,644,235</u></u>	<u><u>2,641,141</u></u>

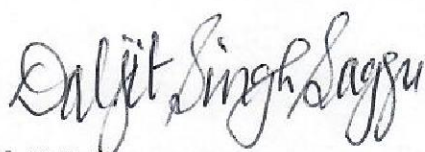
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**Human Welfare International Charitable
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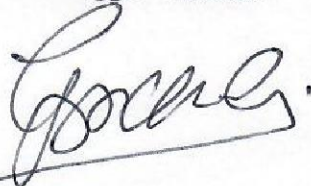
**Statement of Financial Position - continued
31st December 2020**

FUNDS	18		
Unrestricted funds		2,643,813	2,641,141
Restricted funds		422	-
TOTAL FUNDS		<u>2,644,235</u>	<u>2,641,141</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9th June 2022 and were signed on its behalf by:



Mr D S Saggu - Trustee



Mr G P S Kholi - Trustee

The notes form part of these financial statements

**Human Welfare International Charitable
Trust**

**Statement of Cash Flows
for the Year Ended 31st December 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	104,767	153,141
Interest paid		(59,404)	(73,936)
Net cash provided by operating activities		<u>45,363</u>	<u>79,205</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,726)	(9,873)
Interest received		7	15
Net cash used in investing activities		<u>(4,719)</u>	<u>(9,858)</u>
Cash flows from financing activities			
New loans in year		-	1,212,263
Loan repayments in year		(68,720)	(1,336,632)
Net cash used in financing activities		<u>(68,720)</u>	<u>(124,369)</u>
Change in cash and cash equivalents in the reporting period		<u>(28,076)</u>	<u>(55,022)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>310,516</u>	<u>365,538</u>
Cash and cash equivalents at the end of the reporting period		<u><u>282,440</u></u>	<u><u>310,516</u></u>

The notes form part of these financial statements

**Human Welfare International Charitable
Trust**

**Notes to the Statement of Cash Flows
for the Year Ended 31st December 2020**

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

	31.12.20 £	31.12.19 £
Net income for the reporting period (as per the Statement of Financial Activities)	3,094	125,044
Adjustments for:		
Depreciation charges	80,290	81,205
Gain on investments	(20,517)	(123,000)
Interest received	(7)	(15)
Interest paid	59,404	73,936
(Increase)/decrease in debtors	(12,027)	299
Decrease in creditors	(5,470)	(4,328)
Net cash provided by operations	<u>104,767</u>	<u>153,141</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	310,516	(28,076)	282,440
	<u>310,516</u>	<u>(28,076)</u>	<u>282,440</u>
Debt			
Debts falling due within 1 year	(186,753)	64,080	(122,673)
Debts falling due after 1 year	(1,505,910)	4,639	(1,501,271)
	<u>(1,692,663)</u>	<u>68,719</u>	<u>(1,623,944)</u>
Total	<u>(1,382,147)</u>	<u>40,643</u>	<u>(1,341,504)</u>

The notes form part of these financial statements

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements
for the Year Ended 31st December 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the Trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Cash donations are recognised on receipt. Interest received is recognised when receivable.

The Trust receives gifts in kind in the form of food as part of the congregational offerings. These gifts in kind are used as part of the free larder (food) and as part of the items required in the day to day running of the Gurdwaras'. The amount involved is not considered material in relation to the total incoming resources. The gifts in kind of food offering has not been included in the accounts.

Assets given for use by the Trust are recognised when receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust 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.

Governance costs includes the costs attributable to the Trust's compliance with constitutional and statutory requirements, audit, Trustee's expenses and reimbursed expenses.

The Trust 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.

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

The Trust provides provision of the scripture of the Sikh religion called the "Sri Guru Granth Sahib" to be read in both the Gurdwaras' 24/7 which requires employing self employed priests on a contractual basis.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

1. ACCOUNTING POLICIES - continued

Expenditure

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.

Voluntary help

A significant amount of time is spent expended on the Trust's activities which is donated free of charge. It is not possible to quantify the value of time given and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures & fittings and Equip	- 15% on reducing balance

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised as part of the net income/(loss) for the year.

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 Trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The restricted funds are in relation to donations made specifically towards the building of the hospital in Ludhiana known as the Baba Jaswant Singh Trust Ludhiana, India.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Trust 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 accounts.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

2. DONATIONS AND LEGACIES

	31.12.20	31.12.19
	£	£
Donations	280,196	452,405
Furlough Grant	5,380	-
	<u>285,576</u>	<u>452,405</u>

3. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Rents received	46,400	41,725
Deposit account interest	7	15
	<u>46,407</u>	<u>41,740</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Religious Activity	107,499	1,149	108,648
Support costs and Administration Costs	212,256	28,502	240,758
	<u>319,755</u>	<u>29,651</u>	<u>349,406</u>

5. GRANTS PAYABLE

	31.12.20	31.12.19
	£	£
Charitable Donations	-	82,000
	<u>-</u>	<u>82,000</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Religious Activity	383	766	-	1,149
Support costs and Administration Costs	-	-	28,502	28,502
	<u>383</u>	<u>766</u>	<u>28,502</u>	<u>29,651</u>

7. AUDITORS' REMUNERATION

	31.12.20 £	31.12.19 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	6,000	5,000
Other non-audit services	<u>9,600</u>	<u>11,130</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no Trustee expenses this year.

9. STAFF COSTS

	31.12.20 £	31.12.19 £
Wages and salaries	<u>15,404</u>	<u>15,646</u>
	<u>15,404</u>	<u>15,646</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Southall	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	452,405	-	452,405
Investment income	41,740	-	41,740
Total	494,145	-	494,145
EXPENDITURE ON			
Charitable activities			
Religious Activity	156,897	-	156,897
Charitable Donations	81,869	131	82,000
Support costs and Administration Costs	253,204	-	253,204
Total	491,970	131	492,101
Net gains on investments	123,000	-	123,000
NET INCOME/(EXPENDITURE)	125,175	(131)	125,044
RECONCILIATION OF FUNDS			
Total funds brought forward	2,515,966	131	2,516,097
TOTAL FUNDS CARRIED FORWARD	2,641,141	-	2,641,141

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings and Equip £	Totals £
COST			
At 1st January 2020	3,518,865	190,125	3,708,990
Additions	-	4,726	4,726
At 31st December 2020	<u>3,518,865</u>	<u>194,851</u>	<u>3,713,716</u>
DEPRECIATION			
At 1st January 2020	421,718	128,771	550,489
Charge for year	70,377	9,912	80,289
At 31st December 2020	<u>492,095</u>	<u>138,683</u>	<u>630,778</u>
NET BOOK VALUE			
At 31st December 2020	<u>3,026,770</u>	<u>56,168</u>	<u>3,082,938</u>
At 31st December 2019	<u>3,097,147</u>	<u>61,354</u>	<u>3,158,501</u>

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st January 2020	923,877
Revaluation	20,517
At 31st December 2020	<u>944,394</u>
NET BOOK VALUE	
At 31st December 2020	<u>944,394</u>
At 31st December 2019	<u>923,877</u>

The trustees consider that the carrying value of the investment properties approximates to their fair value. The fair value is not based on an independent valuers' valuation but based on similar properties in the market.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Other debtors	15,910	3,213
Prepayments	3,453	4,123
	<u>19,363</u>	<u>7,336</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 16)	92,673	156,753
Other loans (see note 16)	30,000	30,000
Social security and other taxes	744	840
Other creditors	34,170	55,144
Accrued expenses	26,042	10,442
	<u>183,629</u>	<u>253,179</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans (see note 16)	<u>1,501,271</u>	<u>1,505,910</u>

16. LOANS

The Trust has two loans with Lloyds bank. The first was taken out in 2012 for a period of 180 months at a fixed rate of interest of 3.6060% per annum for seven years. In October 2019 the interest rate for the loan was re-negotiated and a new fixed interest rate of 3.130% per annum had been agreed. The loan is repayable in 94 monthly installments. During the year the Trust agreed with the bank to only pay five principal instalments as a result of Covid.

The second loan was taken out in 2017 for a period of 240 months at a rate of interest of base plus 3% which was 3.75% per annum at the year end.

Other loans relate to a £30,000 Interest Free Loan which had been provided by members of the congregation.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20 £	31.12.19 £
Bank loans	<u>1,593,944</u>	<u>1,662,663</u>

Both the bank loans are secured by way of a fixed charge over some of the freehold properties that the Trust holds.

18. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,641,141	2,672	2,643,813
Restricted funds			
Hospital Fund	-	422	422
TOTAL FUNDS	<u>2,641,141</u>	<u>3,094</u>	<u>2,644,235</u>

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	331,561	(349,406)	20,517	2,672
Restricted funds				
Hospital Fund	422	-	-	422
TOTAL FUNDS	<u>331,983</u>	<u>(349,406)</u>	<u>20,517</u>	<u>3,094</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	2,515,966	125,175	2,641,141
Restricted funds			
Hospital Fund	131	(131)	-
TOTAL FUNDS	<u>2,516,097</u>	<u>125,044</u>	<u>2,641,141</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	494,145	(491,970)	123,000	125,175
Restricted funds				
Hospital Fund	-	(131)	-	(131)
TOTAL FUNDS	<u>494,145</u>	<u>(492,101)</u>	<u>123,000</u>	<u>125,044</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,515,966	127,847	2,643,813
Restricted funds			
Hospital Fund	131	291	422
TOTAL FUNDS	<u>2,516,097</u>	<u>128,138</u>	<u>2,644,235</u>

A current year 12 months and prior year 12 months combined 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	825,706	(841,376)	143,517	127,847
Restricted funds				
Hospital Fund	422	(131)	-	291
TOTAL FUNDS	<u>826,128</u>	<u>(841,507)</u>	<u>143,517</u>	<u>128,138</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2020**

19. RELATED PARTY DISCLOSURES

The are no related party transactions during the year.

20. POST BALANCE SHEET EVENTS

There was a fire on 15 July 2021 at the GAD Hall in Southall which caused a lot of damage and made the hall inaccessible.

It is estimated that the financial effect of the damage is in the region of £1.3m. Ongoing negotiations are still in place with the Trust's Insurers to agree the final value of the claim in order to start the repair work of the hall.

Some work has been done to date to ensure that the site is secure for health and safety purposes which has been approved by the insurers.

**Human Welfare International Charitable
Trust**

**Detailed Statement of Financial Activities
for the Year Ended 31st December 2020**

	31.12.20 £	31.12.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	280,196	452,405
Furlough Grant	5,380	-
	<hr/> 285,576	<hr/> 452,405
Investment income		
Rents received	46,400	41,725
Deposit account interest	7	15
	<hr/> 46,407	<hr/> 41,740
Total incoming resources	<hr/> 331,983	<hr/> 494,145
EXPENDITURE		
Charitable activities		
Wages	15,404	15,646
Rent and Rates	15,364	8,605
Insurance	21,240	19,564
Light and heat	53,418	55,788
Sundries	3,178	1,348
Repair & Maintenance	4,182	5,878
Laundry & Cleaning	-	301
Food & Catering	8,603	33,171
Buildings repairs	28,559	20,603
Visiting priests	30,114	61,860
Freehold property	70,377	70,377
Fixtures and fittings	9,912	10,828
Bank loan interest	59,404	73,936
Charitable Donations	-	82,000
	<hr/> 319,755	<hr/> 459,905
Support costs		

This page does not form part of the statutory financial statements

**Human Welfare International Charitable
Trust**

**Detailed Statement of Financial Activities
for the Year Ended 31st December 2020**

	31.12.20 £	31.12.19 £
Support costs		
Management		
Postage and stationery	383	168
Travelling	-	1,707
	<u>383</u>	<u>1,875</u>
Finance		
Bank charges	766	1,518
Governance costs		
Auditors' remuneration	6,000	5,000
Auditors' remuneration for non audit work	9,600	11,130
Telephone	3,902	4,490
Legal and Professional fees	9,000	8,183
	<u>28,502</u>	<u>28,803</u>
Total resources expended	<u>349,406</u>	<u>492,101</u>
Net (expenditure)/income before gains and losses	(17,423)	2,044
Realised recognised gains and losses		
Realised gains/(losses) on investment property	<u>20,517</u>	<u>123,000</u>
Net income	<u><u>3,094</u></u>	<u><u>125,044</u></u>

This page does not form part of the statutory financial statements