

REGISTERED CHARITY NUMBER: 1050410

**Trustees' Report and
Audited Financial Statements for the Year Ended 31st December 2021
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 2021**

	Page
Trustees' Report	1 to 7
Statement of Trustees' Responsibilities	8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Statement of Financial Position	13 to 14
Statement of Cash Flows	15
Notes to the Statement of Cash Flows	16
Notes to the Financial Statements	17 to 28
Detailed Statement of Financial Activities	29 to 30

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2021

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. 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 the 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 objectives 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 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.

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.

Donation income has increased significantly since last year, however since Covid lockdowns the congregation level was still not up to the same capacity as the pre-covid level.

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 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the financial year of 2021 apart from the above-mentioned objectives and support of the above achievements, the following activities and events were undertaken by the Trust: -

As usual, 14 days of Simran-Jaap events were hosted in Southall in April for the Vaisakhi programme, and in November for Guru Nanak Dev ji's Gurburab, 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 in 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 the 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 inspiration 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 groceries from our kitchen. It is our policy not to turn people away and our langar is open to all people of all faith, if available, to help them out. This gives us a tremendous amount of satisfaction knowing that we are helping our community and society.

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2021

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.

Donation income has increased significantly since last year, however since COVID lockdowns the congregation level was still not up to the same capacity as the pre-COVID level.

Donation income has increased by 62% during the year to £454,492 (2020: £280,196) which was a result of both the Gurdwaras' reopening again after the COVID lockdown period and the Trust resuming its normal activities.

However, the total resources expended had increased to £930,363 (2020: £349,406). This was mostly due to the impact of the impairment of the GAD Hall property which was completely destroyed by the fire and the initial costs of £135,544 which were incurred to ensure that the building was safe for health and safety purposes as requested by the insurance company.

The Trust donated £65,000 to India during the year to assist in the completion of the Baba Jaswant Singh Trust in Ludhiana India. Excluding this cost and the additional costs incurred during the year in relation to GAD hall the costs had actually decreased to £321,716 (2020: £349,406).

On 15 July 2021, the Guru Amardass Hall was completely destroyed as a result of a massive fire, which was caused by an electrical short circuit. Fortunately, no personal lives were lost but the hall was completely destroyed. An Insurance claim was started during the year and it took more than two years for the claim to be settled.

During the year payments made towards making the property safe and the initial insurance claim costs amounted to £135,544 which is shown under repairs and maintenance costs and the insurance claim received during the year to cover the initial costs from the insurance company was £100,000.

A cash settlement was negotiated with the insurance company which was agreed at 80% of value at risk. The final settlement received was £1,127,256 which was after initial costs, and this was received in August 2023. Work to restore the hall commenced shortly after the settlement was received and it is anticipated that the hall will be completed during the summer of 2024 when we hope that we can start to use the hall again for our religious functions.

The charity has been able to maintain its net assets above the minimum amount as part of the condition of both loans.

Rental income from the Trust's investment properties has decreased since two properties were vacant for part of the year as compared to the previous year. The Trustees expect this amount to increase in 2022 as they anticipate the properties to be let throughout the following year.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2021**

FINANCIAL REVIEW

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 £2,666,690 (2020: £2,644,235) 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.

FUTURE PLANS

We believe that by bringing extra congregation and young generation, we may not be increasing the turnover in the short term of time, but it should prove very fruitful for everyone in the 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 a lot more programmes for youngsters, a lot more needy people coming to the centre for food and other help etc. We sincerely believe that 2021 will be a better year for the whole world in terms of getting rid of the COVID-19 virus.

The Trust has run another successful year (considering the COVID and lockdown situation in the whole world) and we really do not see any failures and do not foresee any major issues or problems 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.

Human Welfare International Charitable Trust

Trustees' Report for the Year Ended 31st December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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:

Anhad Raj Singh - Chairman
Amarjit Singh
Daljit Singh Saggu
Surinder Singh Jagdev
Gurvinder Pal Singh Kohli

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 Mr Anhad Raj Singh is 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.

As a result of the GAD Hall fire a company called Juxtaposition Limited was engaged for the installation of the scaffolding and temporary tin roof, in addition to some clearance work. Mr Surinder Jagdev, one of the Trustees' is also a director of Juxtaposition Limited.

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2021**

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, expose 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 part 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 a 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 a lot more difficult to find a suitable priest, religious workers Holy Book readers etc due to a lot more control on the immigration policy of the Government.

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

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

**Human Welfare International Charitable
Trust**

**Trustees' Report
for the Year Ended 31st December 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1050410

Principal address

1A -3 Clifton Road

Southall

Middlesex

UB2 5QP

Trustees

Mr D S Saggu

Mr A Singh

Mr S S Jagdev

Mr G P S Kholi

Mr A R Singh

Auditors

S. Syedain & Co

Chartered Accountants & Statutory Auditors

First Floor

87 Kenton Road

Harrow

Middlesex

HA3 0AH

Bankers

Lloyds Bank Plc

Uxbridge

Birmingham OCS4

Ariel House, 2138 Coventry Road

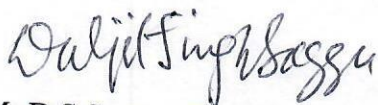
Sheldon

B26 3JW

EVENTS SINCE THE END OF THE YEAR

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

Approved by order of the board of trustees on 22nd December 2023 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 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) 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 2021 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 2021 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 144 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.



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

22nd December 2023

**Human Welfare International Charitable
Trust**

**Statement of Financial Activities
for the Year Ended 31st December 2021**

		Unrestricted fund £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	554,492	-	554,492	285,576
Investment income	3	42,720	-	42,720	46,407
Total		<u>597,212</u>	<u>-</u>	<u>597,212</u>	<u>331,983</u>
EXPENDITURE ON					
Charitable activities					
Religious Activity	4	131,277	-	131,277	108,648
Charitable Donations		64,578	422	65,000	-
Support costs and Administration Costs		325,983	-	325,983	240,758
Other		408,103	-	408,103	-
Total		<u>929,941</u>	<u>422</u>	<u>930,363</u>	<u>349,406</u>
Net gains on investments		<u>355,606</u>	<u>-</u>	<u>355,606</u>	<u>20,517</u>
NET INCOME/(EXPENDITURE)		<u>22,877</u>	<u>(422)</u>	<u>22,455</u>	<u>3,094</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		2,643,813	422	2,644,235	2,641,141
TOTAL FUNDS CARRIED FORWARD		<u><u>2,666,690</u></u>	<u><u>-</u></u>	<u><u>2,666,690</u></u>	<u><u>2,644,235</u></u>

The notes form part of these financial statements

Human Welfare International Charitable Trust

Statement of Financial Position 31st December 2021

	Notes	Unrestricted fund £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	10	2,605,761	-	2,605,761	3,082,938
Investment property	11	1,300,000	-	1,300,000	944,394
		<u>3,905,761</u>	<u>-</u>	<u>3,905,761</u>	<u>4,027,332</u>
CURRENT ASSETS					
Debtors	12	20,368	-	20,368	19,363
Cash at bank and in hand		<u>380,761</u>	<u>-</u>	<u>380,761</u>	<u>282,440</u>
		<u>401,129</u>	<u>-</u>	<u>401,129</u>	<u>301,803</u>
CREDITORS					
Amounts falling due within one year	13	(301,719)	-	(301,719)	(183,629)
NET CURRENT ASSETS		<u>99,410</u>	<u>-</u>	<u>99,410</u>	<u>118,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,005,171</u>	<u>-</u>	<u>4,005,171</u>	<u>4,145,506</u>
CREDITORS					
Amounts falling due after more than one year	14	(1,338,481)	-	(1,338,481)	(1,501,271)
NET ASSETS		<u><u>2,666,690</u></u>	<u><u>-</u></u>	<u><u>2,666,690</u></u>	<u><u>2,644,235</u></u>

The notes form part of these financial statements


**Human Welfare International Charitable
Trust**


**Statement of Financial Position - continued
31st December 2021**

FUNDS	17		
Unrestricted funds		2,666,690	2,643,813
Restricted funds		-	422
TOTAL FUNDS		<u>2,666,690</u>	<u>2,644,235</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd December 2023 and were signed on its behalf by:


Mr D S Saggu - Trustee


Mr G P S Kholi - Trustee


Mr S.S. JAGDEV - TRUSTEE.

The notes form part of these financial statements

**Human Welfare International Charitable
Trust**

**Statement of Cash Flows
for the Year Ended 31st December 2021**

Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities		
Cash generated from operations 1	238,737	104,767
Interest paid	(46,991)	(59,404)
Net cash provided by operating activities	<u>191,746</u>	<u>45,363</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,842)	(4,726)
Interest received	-	7
Net cash used in investing activities	<u>(1,842)</u>	<u>(4,719)</u>
Cash flows from financing activities		
Loan repayments in year	(91,583)	(68,720)
Net cash used in financing activities	<u>(91,583)</u>	<u>(68,720)</u>
Change in cash and cash equivalents in the reporting period	<u>98,321</u>	<u>(28,076)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>282,440</u>	<u>310,516</u>
Cash and cash equivalents at the end of the reporting period	<u><u>380,761</u></u>	<u><u>282,440</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 2021**

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

	31.12.21 £	31.12.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	22,455	3,094
Adjustments for:		
Depreciation charges	70,917	80,290
Gain on investments	(355,606)	(20,517)
Interest received	-	(7)
Interest paid	46,991	59,404
Impairment of tangible fixed assets	408,103	-
Increase in debtors	(1,005)	(12,027)
Increase/(decrease) in creditors	46,882	(5,470)
Net cash provided by operations	<u>238,737</u>	<u>104,767</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	282,440	98,321	380,761
	<u>282,440</u>	<u>98,321</u>	<u>380,761</u>
Debt			
Debts falling due within 1 year	(122,673)	(71,208)	(193,881)
Debts falling due after 1 year	(1,501,271)	162,790	(1,338,481)
	<u>(1,623,944)</u>	<u>91,582</u>	<u>(1,532,362)</u>
Total	<u>(1,341,504)</u>	<u>189,903</u>	<u>(1,151,601)</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 2021

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 langar (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.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

1. ACCOUNTING POLICIES - continued

Expenditure

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.

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.

Human Welfare International Charitable Trust

Notes to the Financial Statements - continued for the Year Ended 31st December 2021

1. ACCOUNTING POLICIES - continued

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.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations	454,492	280,196
Insurance claims	100,000	-
Furlough Grant	-	5,380
	<u>554,492</u>	<u>285,576</u>

The insurance claim relates to amounts received from the insurance company in relation to the initial costs incurred on GAD Hall to ensure that the site is secure for health and safety purposes.

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Rents received	42,720	46,400
Deposit account interest	-	7
	<u>42,720</u>	<u>46,407</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Religious Activity	129,592	-	1,685	131,277
Charitable Donations	-	65,000	-	65,000
Support costs and Administration Costs	309,630	-	16,353	325,983
	<u>439,222</u>	<u>65,000</u>	<u>18,038</u>	<u>522,260</u>

5. GRANTS PAYABLE

	31.12.21 £	31.12.20 £
Charitable Donations	<u>65,000</u>	<u>-</u>

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Religious Activity	132	1,553	-	1,685
Support costs and Administration Costs	-	-	16,353	16,353
	<u>132</u>	<u>1,553</u>	<u>16,353</u>	<u>18,038</u>

Human Welfare International Charitable Trust

Notes to the Financial Statements - continued for the Year Ended 31st December 2021

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no Trustee expenses this year.

8. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	16,598	15,404
	<u>16,598</u>	<u>15,404</u>

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

	31.12.21	31.12.20
Southall	1	1
	<u>1</u>	<u>1</u>

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	285,154	422	285,576
Investment income	46,407	-	46,407
Total	<u>331,561</u>	<u>422</u>	<u>331,983</u>
EXPENDITURE ON			
Charitable activities			
Religious Activity	108,648	-	108,648
Support costs and Administration Costs	240,758	-	240,758
Total	<u>349,406</u>	<u>-</u>	<u>349,406</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES -
continued**

	Unrestricted fund £	Restricted fund £	Total funds £
Net gains on investments	20,517	-	20,517
NET INCOME	2,672	422	3,094
RECONCILIATION OF FUNDS			
Total funds brought forward	2,641,141	-	2,641,141
TOTAL FUNDS CARRIED FORWARD	2,643,813	422	2,644,235

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings and Equip £	Totals £
COST			
At 1st January 2021	3,518,865	194,851	3,713,716
Additions	-	1,842	1,842
Impairments	(408,103)	-	(408,103)
At 31st December 2021	3,110,762	196,693	3,307,455
DEPRECIATION			
At 1st January 2021	492,095	138,683	630,778
Charge for year	62,215	8,701	70,916
At 31st December 2021	554,310	147,384	701,694
NET BOOK VALUE			
At 31st December 2021	2,556,452	49,309	2,605,761
At 31st December 2020	3,026,770	56,168	3,082,938

Fixed Assets is showing an impairment due to the GAD Hall fire which destroyed the hall.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

11. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st January 2021	944,394
Revaluation	355,606
	<hr/>
At 31st December 2021	1,300,000
	<hr/>
NET BOOK VALUE	
At 31st December 2021	1,300,000
	<hr/>
At 31st December 2020	944,394
	<hr/>

Fair value at 31st December 2021 is represented by:

	£
Valuation in 2014	378,860
Valuation in 2015	30,000
Valuation in 2016	87,000
Valuation in 2017	(3,123)
Valuation in 2019	110,000
Valuation in 2020	20,517
Valuation in 2021	355,606
Cost	321,140
	<hr/>
	1,300,000
	<hr/>

The Trustees consider that the carrying value of the investment properties approximates to their fair value. The fair value is based on an independent valuers' valuation.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Other debtors	11,216	15,910
Prepayments	9,152	3,453
	<hr/>	<hr/>
	20,368	19,363
	<hr/>	<hr/>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Bank loans and overdrafts (see note 15)	163,881	92,673
Other loans (see note 15)	30,000	30,000
Social security and other taxes	710	744
Other creditors	72,486	34,170
Accrued expenses	34,642	26,042
	<u>301,719</u>	<u>183,629</u>

Included within Other Creditors is an amount £35,544 which is the liability to Juxtaposition Limited.

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

	31.12.21	31.12.20
	£	£
Bank loans (see note 15)	<u>1,338,481</u>	<u>1,501,271</u>

15. 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 2.942% per annum had been agreed. The final instalment of the loan repayable on 26/10/2028. During the year the Trust agreed with the bank to only pay seven 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 3.25% per annum at the year end. During the year the Trust agreed with the bank to only pay six principal instalments as a result of Covid.

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 2021**

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.21 £	31.12.20 £
Bank loans	1,502,362	1,593,944
	<u>1,502,362</u>	<u>1,593,944</u>

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

17. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	2,643,813	22,877	2,666,690
Restricted funds			
Hospital Fund	422	(422)	-
TOTAL FUNDS	<u>2,644,235</u>	<u>22,455</u>	<u>2,666,690</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	597,212	(929,941)	355,606	22,877
Restricted funds				
Hospital Fund	-	(422)	-	(422)
TOTAL FUNDS	<u>597,212</u>	<u>(930,363)</u>	<u>355,606</u>	<u>22,455</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

17. MOVEMENT IN FUNDS - continued

Comparatives for 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>

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	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>

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

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	2,641,141	25,549	2,666,690
TOTAL FUNDS	<u>2,641,141</u>	<u>25,549</u>	<u>2,666,690</u>

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

17. MOVEMENT IN FUNDS - continued

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	928,773	(1,279,347)	376,123	25,549
Restricted funds				
Hospital Fund	422	(422)	-	-
TOTAL FUNDS	<u>929,195</u>	<u>(1,279,769)</u>	<u>376,123</u>	<u>25,549</u>

18. RELATED PARTY DISCLOSURES

The Trust donated £65,000 (2020:Nil) during the year ended 31 December 2021 to the Baba Jaswant Singh Trust in Ludhiana India. This amount was used towards the building of the Sri Guru Amardass Charitable Hospital and Institute of Medical Sciences in Ludhiana, India and all the funds have been used for the hospital's construction. Mr Anhad Raj Singh is the Chairperson for both the Trusts in UK and India.

The Trust had engaged a company called Juxtaposition Limited to assist in the clearance work on the GAD Hall as a result of the damage caused by the fire during the year. Mr Surinder Jagdev, one of the trustees of the Trust is also a director of this company.

The amounts invoiced during the year by Juxtaposition Limited to the Trust totalled £123,765.13. This related to the erection of the scaffolding, installing a temporary tin roof and clearance work. The insurance company involved in the fire claim paid £88,220.80 towards the balance with an outstanding amount at the year end payable by the Trust being £35,544.33.

**Human Welfare International Charitable
Trust**

**Notes to the Financial Statements - continued
for the Year Ended 31st December 2021**

19. POST BALANCE SHEET EVENTS

The insurance claim settlement for the GAD hall, that was damaged as a result of a major fire during the year, was £1,355,746 and the amount received by the Trust, net of initial expenses, was £1,112,256 during August 2023. Some of the restoration on GAD hall commenced during the end of 2023 and it is anticipated that the work should be completed by the summer of 2024.

**Human Welfare International Charitable
Trust**

**Detailed Statement of Financial Activities
for the Year Ended 31st December 2021**

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	454,492	280,196
Insurance claims	100,000	-
Furlough Grant	-	5,380
	<hr/> 554,492	<hr/> 285,576
Investment income		
Rents received	42,720	46,400
Deposit account interest	-	7
	<hr/> 42,720	<hr/> 46,407
Total incoming resources	<hr/> 597,212	<hr/> 331,983
EXPENDITURE		
Charitable activities		
Wages	16,598	15,404
Rent and Rates	13,911	15,364
Insurance	10,452	21,240
Light and heat	61,405	53,418
Sundries	594	3,178
Repair & Maintenance	143,915	4,182
Food & Catering	4,415	8,603
Buildings repairs	20,163	28,559
Visiting priests	49,861	30,114
Freehold property	62,215	70,377
Fixtures and fittings	8,702	9,912
Bank loan interest	46,991	59,404
Charitable Donations	65,000	-
	<hr/> 504,222	<hr/> 319,755
Other		
Impairment losses for tangible fixed assets	408,103	-

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 2021

	31.12.21 £	31.12.20 £
Support costs		
Management		
Postage and stationery	132	383
Finance		
Bank charges	1,553	766
Governance costs		
Auditors' remuneration	5,000	6,000
Auditors' remuneration for non audit work	8,400	9,600
Telephone	2,953	3,902
Legal and Professional fees	-	9,000
	<hr/>	<hr/>
	16,353	28,502
	<hr/>	<hr/>
Total resources expended	930,363	349,406
	<hr/>	<hr/>
Net expenditure before gains and losses	(333,151)	(17,423)
	<hr/>	<hr/>
Realised recognised gains and losses		
Realised gains/(losses) on investment property	355,606	20,517
	<hr/>	<hr/>
Net income	22,455	3,094
	<hr/>	<hr/>

This page does not form part of the statutory financial statements