

CHARITY REGISTRATION NUMBER: 1053275

Gurdwara Siri Guru Singh Sabha
Financial Statements
31 March 2021

CHUHAN & SINGH PARTNERSHIP LTD

Chartered Accountants & statutory auditor
81 Borough Road
Middlesbrough
TS1 3AA

Gurdwara Siri Guru Singh Sabha

Financial Statements

Year ended 31 March 2021

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Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report

Year ended 31 March 2021

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

Reference and administrative details

Registered charity name	Gurdwara Siri Guru Singh Sabha
Charity registration number	1053275
Principal office	Cottenham Street Newcastle Upon Tyne Tyne & Wear NE4 5QU

The trustees

Mr G Singh Lally
Mr S Singh Gill
Mr G Singh Sarang
Mr S Singh Dhillon
Mr A Singh Ladhar

Some of the properties owned by the charity are also held by the trustees as custodians on behalf of the charity.

Solicitors	Sintons Law The Cube Barrack Road Newcastle upon Tyne NE4 6DB
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Bankers	Barclays Bank Plc Westgate Road Newcastle upon Tyne NE4 9BN Santander UK 112-118 Northumberland Street Newcastle upon Tyne NE1 7AG Lloyds Bank 102 Grey Street Newcastle upon Tyne NE99 1SL
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Auditor	Chuhan & Singh Partnership Ltd Chartered Accountants & statutory auditor 81 Borough Road Middlesbrough TS1 3AA
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Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Structure, governance and management

Governing document

Gurdwara Siri Guru Singh Sabha is constituted as a charitable trust registered with the Charities Commission in February 1996 under the charity number 1053275. It is governed by a constitution last updated in November 1995.

Organisational structure

The charity trustees along with a management committee are responsible for the general control and management of the charity. The trustees and committee members give their time freely and receive no remuneration or other financial benefits. The trustees and committee members meet together, as a body, periodically and are responsible for all decisions taken in relation to running the Temple and the community facilities and the activities provided by the charity. The trustees have delegated day to day management of the charity to Mr Jagtar Singh who has been appointed President of the committee.

The other officials of the Charity are as follows:

President - Jagtar Singh

Treasurer - Malkit Singh

General Secretary - Jarnail Singh

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of both elders and community leaders. The trustees believe this approach ensures that new trustees are respected members of the faith and local communities and ensures that good relations are fostered between the Temple and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following appointment, new trustees are introduced to their new role and given copies of the constitution along with a number of publications from the Charities Commission which provide guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Risk management

The trustees have assessed the risks faced by the charity and are satisfied that systems are in place, or arrangements are in hand, to manage identified risks. In particular, insurance cover is in place and the finances of the Temple are kept under regular review. Appropriate Disclosure and Barring Service (DBS) checks are made for all those who work with children and other vulnerable groups within the Temple and community.

Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Objectives and activities

Our objectives

The charity's objectives are to provide a cultural socio-religious base for the Sikh Community in Newcastle-upon-Tyne. The charity has continued in its objectives stated above by providing an open, easy and free means for the Sikh community in the area to engage in their religious and cultural heritage. The Charity built a new Gurdwara for the local Sikh Community to help ensure that the charity achieves its objectives.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities and we are satisfied that we have fulfilled our responsibilities in respect of this criteria.

Strategies

We want to make our Temple an accessible and welcoming venue where all Sikhs, or those wishing to know more about our faith, can gather together to learn about religion and worship. The Temple is open daily from 4:30am until 8:00pm with Saturday and Sunday being the busiest days.

We try to promote the Sikh faith in the Newcastle area and encourage all schools, colleges and universities to visit the Temple.

We regularly invite people from other faiths to attend at major functions in order to maintain and promote inter-faith activities. We also have a Langar (free kitchen) which is open to everyone in the local community, irrespective of religious beliefs. We take part in an annual Inter-Faith Peace march in Newcastle marching from the Hindu Temple to the Church, Mosque, Synagogue and ending at our Temple with a free meal.

An important part of our faith is helping those in need. We operate a clothing collection service and we regularly visit Newcastle City Centre to distribute food, clothing and blankets to those in need including homeless, refugees and asylum seekers.

We offer many different classes to the local community including Punjabi, religious classes for children and yoga classes.

Use of volunteers

Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community activities and we have people regularly giving their time.

Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

How our activities deliver public benefit

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities provide benefit both to those who worship at our Temple and the wider community.

Religious activities

Our Temple continues to provide a centre for our worship and for the activities associated with our faith. During the year, we offered a range of religious services including:

Prayers: The Temple is open daily from 4:30am until 8:00pm for worship. During the week we have around 100 people who regularly attend the Temple and around 400 who attend at the weekend. We offer special religious services on Tuesday and Thursday evenings.

Arkhand Path: we offer non-stop reading of Siri Guru Granth Sahib in times of difficulty and at times of celebration such as weddings. We also carry out these readings at important Sikh Festivals.

Community activities

People from the local community are encouraged to use the Temple whether it be to use the Langar (free kitchen), attend our Yoga classes or participate in our Punjabi classes.

We also help with the organisation of a 3km fun run in order to raise funds for the community.

Investment properties

The charity holds a number of properties for investment purposes. During the year, the charity received rental income from these properties in line with the expectations of the committee. This income is shown as Investment Income in the SOFA.

When acting as a landlord, the charity takes into consideration all aspects of its tenants situations to ensure that the charity is a socially responsible and ethical landlord.

Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Financial review

The Trustees are satisfied with the financial position of the charity at the year end.

This year has been particularly difficult due the Temple being closed for a significant period of time due to Covid restrictions. This has led to a deficit for the year of £33,382, before the gain in market value of investment properties. The balance held as unrestricted funds at 31 March was £3,483,822. There are cash reserves of £52,864. It is the policy of the charity to maintain cash reserves that are sufficient to cover management, administration and running costs of the charity for a period of at least four to six months. The current cash reserves are within this range.

Principal funding sources

The principal source of funding for the charity is donations from the local Sikh community. Trustees and members of the Temple are encouraged to pay their donations monthly via Standing Order.

The charity also receives some rental income from its property portfolio.

Gift aid is also in operation.

During the year the charity has received £22,796 of Job Retention Scheme (Covid) grants from the government.

Plans for future periods

The charity wishes to continue the promotion of the Sikh faith in the local community and to continue helping those in need.

Auditor

Chuhan & Singh Chartered Accountants has been appointed as auditors for the ensuing year.

Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Events after the end of the reporting period

The financial statements have been prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future.

In considering the going concern of the group for at least 12 months from the date of approval of the financial statements ("the going concern period"), the trustees have considered possible changes in income from donations due to the impact of Covid-19. Key factors that have been considered are as follows:

The global Covid-19 pandemic has had a significant effect on all places of worship. Although it is not possible to accurately measure the full extent to which this has affected the charity, there has been a large reduction in donations during the year. The car park income ceased during this year, because more people were working from home due to Covid and the closure of a nearby business. The income from the car park has not restarted as yet. Since the year end the donations have increased, but the number of people attending the Temple has not returned to the same levels as before the pandemic which means that donations are still less than earlier years. On a more positive note, rental income has increased this year and is expected to further increase after the year end. The trustees have considered the effects of all of these changes in income for the charity and also that based on previous experience, the trustees are confident that the members of the congregation will always provide additional donations at times of need for the charity.

These changes have been mitigated, to a certain extent, by a repayment holiday agreed with Barclays Bank on the mortgage repayments for the Temple. Initially, the bank agreed to a repayment holiday for six months from April 2020 to September 2020. The bank has further agreed to another six-month repayment holiday from November 2020 to April 2021.

Whilst the factors considered above support the ability of the charity to remain a going concern and to be able to meet its debts as they fall due, it is extremely difficult to predict the full impact of Covid-19. However, the trustees believe that with the continued support of the members of the congregation, the charity will have adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements ("the going concern period").

Based on the factors set out above the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements have been prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

Gurdwara Siri Guru Singh Sabha

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved on 3.12.2021 and signed on behalf of the board of trustees by:



Mr S Singh Chillon
Trustee

Gurdwara Siri Guru Singh Sabha

Independent Auditor's Report to the Members of Gurdwara Siri Guru Singh Sabha

Year ended 31 March 2021

Opinion

We have audited the financial statements of Gurdwara Siri Guru Singh Sabha (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, statement of financial position and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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

The trustees have prepared the financial statements on the going concern basis because they have concluded that there are no material uncertainties that could cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

Gurdwara Siri Guru Singh Sabha

Independent Auditor's Report to the Members of Gurdwara Siri Guru Singh Sabha (continued)

Year ended 31 March 2021

Other information

The other information comprises the Information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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
- adequate 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 trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Gurdwara Siri Guru Singh Sabha

Independent Auditor's Report to the Members of Gurdwara Siri Guru Singh Sabha (continued)

Year ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and considered the risks of acts by the charity that are contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentionally misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material effect in the financial statements or operations of the charity, including, but not limited to, the Charities Act 2011, Charities (Accounts and Reports Regulations) and the Charities SORP (FRS 102), data protection and anti-money laundering. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

Gurdwara Siri Guru Singh Sabha

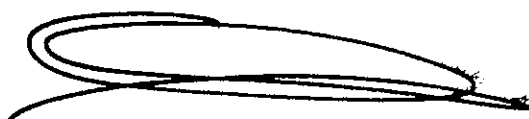
Independent Auditor's Report to the Members of Gurdwara Siri Guru Singh Sabha *(continued)*

Year ended 31 March 2021

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 auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



81 Borough Road
Middlesbrough
TS1 3AA

Chuhan & Singh Partnership Ltd
Chartered Accountants & statutory auditor

3 December 2021

Gurdwara Siri Guru Singh Sabha

Statement of Financial Activities

Year ended 31 March 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies	4	169,495	169,495	433,785
Investment income	5	43,997	43,997	60,634
Total income		<u>213,492</u>	<u>213,492</u>	<u>494,419</u>
Expenditure				
Expenditure on charitable activities	6,7	246,874	246,874	327,700
Total expenditure		<u>246,874</u>	<u>246,874</u>	<u>327,700</u>
Gain in market value of investment properties	8	(250,000)	(250,000)	—
Net income and net movement in funds		<u>216,618</u>	<u>216,618</u>	<u>166,719</u>
Reconciliation of funds				
Total funds brought forward		3,267,204	3,267,204	3,100,485
Total funds carried forward		<u>3,483,822</u>	<u>3,483,822</u>	<u>3,267,204</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

Gurdwara Siri Guru Singh Sabha

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	13	2,983,687	3,410,707
Investment properties	14	<u>1,295,000</u>	<u>695,000</u>
		4,278,687	4,105,707
Current assets			
Cash at bank and in hand		52,864	53,321
Creditors: amounts falling due within one year	15	<u>79,001</u>	<u>139,720</u>
Net current liabilities		26,137	86,399
Total assets less current liabilities		4,252,550	4,019,308
Creditors: amounts falling due after more than one year	16	<u>768,728</u>	<u>752,104</u>
Net assets		<u>3,483,822</u>	<u>3,267,204</u>
Funds of the charity			
Unrestricted funds		<u>3,483,822</u>	<u>3,267,204</u>
Total charity funds	17	<u>3,483,822</u>	<u>3,267,204</u>

These financial statements were approved by the board of trustees and authorised for issue on 31/03/2021, and are signed on behalf of the board by:

Mr S Singh Dhillon
Trustee

The notes on pages 14 to 22 form part of these financial statements.

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Gurdwara Siri Guru Singh Sabha, Cottenham Street, Newcastle Upon Tyne, Tyne & Wear, NE4 5QU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Going concern

The financial statements have been prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future.

In considering the going concern of the group for at least 12 months from the date of approval of the financial statements ("the going concern period"), the trustees have considered possible changes in income from donations due to the impact of Covid-19. Key factors that have been considered are as follows:

The global Covid-19 pandemic has had a significant effect on all places of worship. Although it is not possible to accurately measure the full extent to which this has affected the charity, there has been a large reduction in donations during the year. The car park income ceased during this year, because more people were working from home due to Covid and the closure of a nearby business. The income from the car park has not restarted as yet. Since the year end the donations have increased, but the number of people attending the Temple has not returned to the same levels as before the pandemic which means that donations are still less than earlier years. On a more positive note, rental income has increased this year and is expected to further increase after the year end. The trustees have considered the effects of all of these changes in income for the charity and also that based on previous experience, the trustees are confident that the members of the congregation will always provide additional donations at times of need for the charity.

These changes have been mitigated, to a certain extent, by a repayment holiday agreed with Barclays Bank on the mortgage repayments for the Temple. Initially, the bank agreed to a repayment holiday for six months from April 2020 to September 2020. The bank has further agreed to another six-month repayment holiday from November 2020 to April 2021.

Whilst the factors considered above support the ability of the charity to remain a going concern and to be able to meet its debts as they fall due, it is extremely difficult to predict the full impact of Covid-19. However, the trustees believe that with the continued support of the members of the congregation, the charity will have adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements ("the going concern period").

Based on the factors set out above the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.
- Investment income is included when receivable.

Resources expended

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	2% straight line
Fixtures and fittings	-	20% straight line
Motor vehicles	-	20% straight line
Equipment	-	15% reducing balance

Investments

The only investments held by the charity are investment properties.

Investment property

Investment properties have been valued at open market value by Mr Jagtar Singh (President) who holds no relevant professional qualification. Mr Singh is not employed by the charity. This valuation is based on his knowledge of similar properties in the local area. The trustees are in agreement with the valuation.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	115,650	115,650	394,274	394,274
Gift Aid Received	31,049	31,049	39,511	39,511
Grants				
Grants receivable	22,796	22,796	—	—
	<u>169,495</u>	<u>169,495</u>	<u>433,785</u>	<u>433,785</u>

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements (continued)

Year ended 31 March 2021

5. Investment Income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Rents received	43,986	43,986	28,619	28,619
Car park income	—	—	31,971	31,971
Other interest receivable	11	11	44	44
	<u>43,997</u>	<u>43,997</u>	<u>60,634</u>	<u>60,634</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Temple activities	239,840	239,840	320,865	320,865
Support costs	7,034	7,034	6,835	6,835
	<u>246,874</u>	<u>246,874</u>	<u>327,700</u>	<u>327,700</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Temple activities	239,840	—	239,840	320,865
Governance costs	—	7,034	7,034	6,835
	<u>239,840</u>	<u>7,034</u>	<u>246,874</u>	<u>327,700</u>

8. Gain in market value of Investment properties

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on investment property	<u>250,000</u>	<u>250,000</u>	<u>—</u>	<u>—</u>

9. Net Income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>77,020</u>	<u>77,203</u>

10. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>2,500</u>	<u>2,500</u>

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<u>36,697</u>	<u>49,049</u>

The average head count of employees during the year was 3 (2020: 3).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2020	3,860,254	140,502	38,159	15,219	4,054,134
Transfers	<u>(350,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(350,000)</u>
At 31 March 2021	<u>3,510,254</u>	<u>140,502</u>	<u>38,159</u>	<u>15,219</u>	<u>3,704,134</u>
Depreciation					
At 1 April 2020	477,352	140,502	15,264	10,309	643,427
Charge for the year	<u>68,652</u>	<u>—</u>	<u>7,632</u>	<u>736</u>	<u>77,020</u>
At 31 March 2021	<u>546,004</u>	<u>140,502</u>	<u>22,896</u>	<u>11,045</u>	<u>720,447</u>
Carrying amount					
At 31 March 2021	<u>2,964,250</u>	<u>—</u>	<u>15,263</u>	<u>4,174</u>	<u>2,983,687</u>
At 31 March 2020	<u>3,382,902</u>	<u>—</u>	<u>22,895</u>	<u>4,910</u>	<u>3,410,707</u>

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

14. Investment properties

	Investment properties £
Cost or valuation	
At 1 April 2020	695,000
Additions	—
Fair value movements	250,000
Transfer from freehold property	350,000
At 31 March 2021	<u>1,295,000</u>
Impairment	
At 1 April 2020 and 31 March 2021	
Carrying amount	
At 31 March 2021	<u>1,295,000</u>
At 31 March 2020	<u>695,000</u>

All investments shown above are held at valuation.

Investment properties

Investment properties have been valued at open market value by Mr Jagtar Singh (President) who holds no relevant professional qualification. Mr Singh is not employed by the charity. This valuation is based on his knowledge of similar properties in the local area. The trustees are in agreement with this valuation.

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	44,001	69,720
Accruals and deferred income	5,000	5,000
Other creditors	30,000	65,000
	<u>79,001</u>	<u>139,720</u>

Bank loans due within one year and more than one year are secured on the freehold property of the charity.

16. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	673,728	652,104
Other creditors	95,000	100,000
	<u>768,728</u>	<u>752,104</u>

Gurdwara Siri Guru Singh Sabha

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Gains and losses £	At 31 March 2021 £
General funds	3,267,204	213,492	(246,874)	250,000	3,483,822

	At 1 April 2019 £	Income £	Expenditure £	Gains and losses £	At 31 March 2020 £
General funds	3,100,485	494,419	(327,700)	—	3,267,204

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	2,983,687	2,983,687
Investments	1,295,000	1,295,000
Current assets	52,864	52,864
Creditors less than 1 year	(79,001)	(79,001)
Creditors greater than 1 year	(768,728)	(768,728)
Net assets	3,483,822	3,483,822

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	3,410,707	3,410,707
Investments	695,000	695,000
Current assets	53,321	53,321
Creditors less than 1 year	(139,720)	(139,720)
Creditors greater than 1 year	(752,104)	(752,104)
Net assets	3,267,204	3,267,204

19. Related parties

Included in other creditors due within one year is £30,000 (2020: £65,000) and in other creditors due in more than one year is £95,000 (2020: £100,000), which are personal loans from members of the congregation. These loans are unsecured, interest free and repayable on demand.

Gurdwara Siri Guru Singh Sabha

Management Information

Year ended 31 March 2021

The following pages do not form part of the financial statements.

Gurdwara Siri Guru Singh Sabha
Detailed Statement of Financial Activities
Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	115,650	394,274
Gift Aid Received	31,049	39,511
Grants receivable	22,796	—
	<u>169,495</u>	<u>433,785</u>
Investment income		
Rents received	43,986	28,619
Car park income	—	31,971
Other interest receivable	11	44
	<u>43,997</u>	<u>60,634</u>
Total Income	<u>213,492</u>	<u>494,419</u>
Expenditure		
Expenditure on charitable activities		
Wages and salaries	36,697	49,049
Rates and water	5,413	8,774
Light and heat	31,640	41,629
Repairs and maintenance	12,760	27,923
Insurance	4,211	14,865
Other establishment	5,818	10,879
Motor vehicle expenses	265	4,245
Legal and professional fees	12,664	28,276
Telephone	1,961	1,139
Other office costs	—	186
Depreciation	77,020	77,203
Other interest payable and similar charges	76	322
Consumables	2,633	4,776
Other expenses	19,490	22,786
Donations	14,000	7,979
Bank Loan interest	22,226	27,669
	<u>246,874</u>	<u>327,700</u>
Total expenditure	<u>246,874</u>	<u>327,700</u>
Gain in market value of investment properties		
Gains/(losses) on investment property	(250,000)	—
Net Income	<u>216,618</u>	<u>166,719</u>

Gurdwara Siri Guru Singh Sabha

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Expenditure on charitable activities		
Temple activities		
Activities undertaken directly		
Temple activities - wages & salaries	36,697	49,049
Temple activities - rates & water	5,413	8,774
Temple activities - light & heat	31,640	41,629
Temple activities - repairs & maintenance	12,760	27,923
Temple activities - insurance	4,211	14,865
Temple activities - other establishment	5,818	10,879
Temple activities - motor vehicle expenses	265	4,245
Temple activities - professional fees	5,630	21,441
Temple activities - telephone	1,961	1,139
Temple activities - stationery & advertising	—	186
Temple activities - depreciation	77,020	77,203
Temple activities - bank interest payable and similar charges	76	322
Temple activities - consumables	2,633	4,776
Temple activities - other expenses	19,490	22,786
Temple activities - charitable donations	14,000	7,979
Temple activities - bank loan interest	22,226	27,669
	<u>239,840</u>	<u>320,865</u>
Governance costs		
Governance costs - accountancy fees	4,534	4,334
Governance costs - audit fees	2,500	2,501
	<u>7,034</u>	<u>6,835</u>
Expenditure on charitable activities	<u>246,874</u>	<u>327,700</u>