

DIVINE ONKAR MISSION
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021

Charity Commission Reference No: 1074527
Company Registered No: 3566158

DIVINE ONKAR MISSION

**DRAYTON STREET
Wolverhampton WV2 4EA**

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DIVINE ONKAR MISSION

SIGNIFICANT INFORMATION

Divine Onkar Mission is established as a company limited by guarantee (Company Registered No: 3566158) and is registered as a charity with the Charity Commission England and Wales (Reg No: 1074527). The affairs of the association are governed by its memorandum and articles of association. The liability of the members in the event of the Association being wound up is limited to a sum not exceeding £1.

REGISTERED OFFICE

Drayton Street
Wolverhampton
WV2 4EA

BANKERS

Barclays Bank Plc
Bank House
1A Chapel Ash
Wolverhampton
WV3 0TL

HSBC Bank Plc
9 Queen Square
Wolverhampton
WV1 1TE

Punjab National Bank
502-504 Dudley Road
Wolverhampton
WV2 3AA

**Independent Examiner's Report to the Trustees of
Divine Onkar Mission**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 May 2021 which are set out on pages 5 to 12

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**MAHMOOD AHED
CHARTERED CERTIFIED ACCOUNTANT**

25 November 2021

**784 Alum Rock Road
Ward End
Birmingham B8 2TE**

Company Registered No: 3566158

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MAY 2021**

Income	2021	2020
Income and endowments from	Unrestricted	Unrestricted
	funds	funds
	£	£
<i>Donations and legacies</i>		
Donations received	143,648	182,208
HMRC Gift Aid receipt	18,499	23,096
<i>Income from charitable activities</i>		
Shop sale	30,631	53,487
<i>Investment income</i>		
Bank deposit Interest receivable	458	708
Rent receivable	86,090	73,698
Other income	16,317	3,838
	-----	-----
Total	295,643	337,035
	=====	=====
Expenditure		
<i>Expenditure on charitable activities</i>		
Amount sent to partner organisations in India for operational programmes	120,000	157,000
Other Donations	43	3,295
		-
<i>Governance and support cost</i>		
Employees cost	57,613	69,665
Rates and water	7,257	2,852
Insurance	5,362	5,153
Heat and light	3,273	7,108
Telephone	1,217	1,189
Print, post and stationery	425	680
Computer and website cost	-	541
Repairs and renewals	4,559	1,098
Motor and travelling expenses	3,485	4,282
Promotion and advertising	-	101
Sundry expenses	534	651
Bank charges	184	165
Legal and professional fee	-	230
Accountancy fees	700	700
Loss on disposal of fixed asset	-	725
Depreciation: motor vehicles	2,047	2,729
Depreciation: fixtures and fittings	793	792
Depreciation: Freehold property	1,700	1,700
	-----	-----
Total	209,192	260,656
	=====	=====

Company Registered No: 3566158

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MAY 2021 (Continued)

	2021	2020
Net Incoming Resources for the year	86,451	76,379
	-----	-----
NET MOVEMENT IN FUNDS	86,451	76,379
 RECONCILIATION OF FUNDS		
Funds balance brought forward	2,706,221	2,629,842
	-----	-----
Fund balance carried forward	2,792,672	2,706,221
	=====	=====

The statement of financial activities includes all gains and losses recognized in the year.
All incoming resources and resources expended derive from continuing activities

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MAY 2021**

	Notes	2021 £	2020 £
INCOME			
Donations	2	162,147	205,304
Charitable activities		30,631	53,487
Interest and investment income	3	86,548	74,406
Other income		16,317	3,838
		-----	-----
Gross Income		295,643	337,035
		=====	=====
EXPENDITURE			
Expenditure on charitable activities		120,043	160,295
Governance and support cost		89,149	100,361
		-----	-----
Total expenditure		209,192	260,656
		=====	=====
Net Income for the year		86,451	76,379
Funds balance brought forward		2,706,221	2,629,842
		-----	-----
Funds balance carried forward		2,792,672	2,706,221
		=====	=====

The statement of financial activities includes all gains and losses recognized in the year.
All incoming resources and resources expended derive from continuing activities, and the reported surplus was found under the historical cost convention.

The notes on page 9 to 12 form an integral part of these accounts.

**BALANCE SHEET
AS AT 31 MAY 2021**

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	5		324,400		328,134
Investments	6		1,791,768		1,791,768
			-----		-----
			2,116,168		2,119,902
CURRENT ASSETS					
Fixed term deposits		200,000		200,000	
Cash at bank and in hand		483,519		390,500	
		-----		-----	
		683,519		590,500	
CREDITORS: Amounts falling due within one year					
	7	7,015		4,181	
		-----		-----	
TOTAL ASSETS LESS CURRENT LIABILITIES			676,504		586,319
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			2,792,672		2,706,221
			=====		=====
FUNDS					
General funds	8		2,792,672		2,706,221
			-----		-----
			2,792,672		2,706,221
			=====		=====

For the year ended 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board of directors on 25 November 2021 and signed on their behalf by:

.....Charanjit Singh
DIRECTOR/TRUSTEE

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

Summary of significant accounting policies

1. Basis of preparation

1.1 Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accountancy policy notes. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Association.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS102 Section 1A

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Income

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met. Revenue grants are credited to the income and expenditure account as received, unless related to a specific period, when it is placed in a restricted funds until it is used.

1.3 Gifts in kind

The charity receives the benefit of work carried out by volunteers, and receives the use of facility and equipment without charge. No value is placed on these items, where the benefit extends over several periods, in which case they are valued and included in the balance sheet at a reasonable valuation.

1.4 Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any gift aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

1.5 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As a registered charity, the company benefits from Rates but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

1.6 Depreciation

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

Freehold building	1/2% on cost
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

No depreciation is provided on freehold land

1.7 Investment Properties

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

1.8 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably

	2021	2020
	£	£
2. DONATIONS AND GIFTS		
Donations received	123,203	165,155
Collection boxes receipts	20,445	17,053
HMRC Gift Aid receipt	18,499	23,096
	-----	-----
	162,147	205,304
	=====	=====
3 INVESTMENT INCOME		
Interest receivable	458	708
Rent receivable	86,090	73,698
	=====	=====
4. MANAGEMENT AND ADMINISTRATION		
Emoluments of employees	39,821	36,837
Accountants remuneration	700	700
	=====	=====

The average monthly number of employees and full time equivalent (FTE) during the year was 3 (2020-3)

The trustees neither received nor waived any emoluments during the year (2020- nil)

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

5. TANGIBLE FIXED ASSETS

	Freehold property	Motor vehicle	Fixtures & fittings	Total
	£	£	£	£
Cost				
As at 31/5/20	339,915	20,220	33,205	393,340
Addition	-		806	806
	-----	-----	-----	-----
As at 31/5/21	339,915	20,220	34,011	394,146
	=====	=====	=====	=====
Depreciation				
As at 31/5/20	24,450	12,034	28,722	65,206
Charge for year	1,700	2,047	793	4,540
On disposal	-		-	
	-----	-----	-----	-----
	26,150	14,081	29,515	69,746
	=====	=====	=====	=====
As at 31/5/21				
Net book value	313,765	6,139	4,496	324,400
At 31/05/21	=====	=====	=====	=====
At 31/5/20	315,465	8,186	4,483	328,134
	=====	=====	=====	=====

	2021 £	2020 £
6. FIXED ASSETS INVESTMENTS (Note 1.7)		
Investment properties @01/06/20	1,791,768	1,370,028
Addition	-	421,740
	-----	-----
Investment properties @ 31/5/21	1,791,768	1,791,768
	=====	=====

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date. The 2021 valuation was made by the directors/trustees on an fair value basis and it was considered that the difference was not material from historical cost

**7. CREDITORS: Amounts falling due
within one year**

Other creditors	7,015	4,181
	-----	-----
	7,015	4,181
	=====	=====

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

8. FUNDS

	Unrestricted funds	Unrestricted funds
Opening	2,706,221	2,629,842
Incoming resources	295,643	337,035
Outgoing resources	(209,192)	(260,656)
	-----	-----
	2,792,672	2,706,221
	=====	=====
 Represented by		
Tangible fixed assets	2,116,168	2,119,902
Net current assets	676,504	586,319
	-----	-----
	2,792,672	2,706,221
	=====	=====

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. There is no formal policy of transfer between funds or on the allocation of funds to designated funds.

**9. PARTNER ORGANISATIONS AND
OPERATIONAL PROGRAMMES**

The Charity operates several charitable operational programmes through partner organisations in India and the grants were remitted to The Onkar Hospital in Ramgargh, Jharkhand State, the Leprosy project in Delhi and similar project in the State of Orrisa. The charity now also provide financial support for the operational programmes for school and college for the benefit of children in the local community. The Charity also support orphanages and old aged homes in India.

10. GOING CONCERN

As explained in the Trustees Report although the disruption caused by Coronavirus and lower expected income, Trustee's are satisfied that the charity will be able to continue its activities possibly at lower scale when it is allowed to reopen.. Also there should be no impact on charities reserve policy.