

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales · Charity number 1088637

Details

Status Registered

Legal form Other

Registered 2001-09-27

Register [View on the Charity Commission register](#)

Contact

Address Afghan Ekta Cultural Religious Comm
67-75 King Street
Southall
UB2 4DQ

Phone 07930552280

Email admin@gurunakdarbar.org.uk

Website www.gurunakdarbar.org.uk

Activities

Objects: THE OBJECTS FOR THE CENTRE SHALL BE FOR THE BENEFIT OF THE INHABITANTS OF SOUTHALL (THE "AREA OF BENEFIT") AND THE SURROUNDING AREA AND IN PARTICULAR FOR THE BENEFIT OF THE INHABITANTS WHO ARE AFGHANS OR SIKHS:-(A) TO PROVIDE AND ASSIST IN THE PROVISION OF FACILITIES FOR RECREATION AND OTHER LEISURE TIME OCCUPATION IN THE INTEREST OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE OF THE SAID INHABITANTS.(B) TO ADVANCE THE SIKH RELIGION;(C) TO ADVANCED EDUCATION IN SUBJECTS WHICH MAY INCLUDE THE SIKH RELIGION THE HERITAGE OF SIKHISM, THE LANGUAGE, HISTORY, TRADITIONS AND CULTURE OF THE PUNJAB; AND (D) TO RELIEVE THOSE WHO ARE IN CONDITIONS OF FINANCIAL HARDSHIP OR WHO ARE OTHERWISE IN CHARITABLE NEED THROUGH THE PROVISION OF ADVICE, INFORMATION AND OTHER ASSISTANCE.

Activities: The Community Centre continues to organise several activities benefiting the Sikh Community.

Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Education/training, Religious Activities, Arts/culture/heritage/science
- **Who:** Children/young People, People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** SOUTHALL AND SURROUNDING AREA
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,413,015	£1,216,373	£10,440,937	7
2023-12-31	£1,541,183	£1,683,708	£10,176,453	5
2022-12-31	£1,352,014	£1,001,268	£10,301,343	5
2021-12-31	£1,240,130	£664,974	£9,927,302	4
2020-12-31	£725,192	£750,211	£9,353,806	5

Trustees

Name	Role	Appointed
GURMEET SINGH	Chair	2016-02-01
Davinder Singh Prit		2016-02-01
Kultar Singh Kapoor		2016-02-01
POPANDAR SINGH		2016-02-01

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales - Charity number 1088637

Accounts

Charity registration number 1088637 (England and Wales)

**AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gurmeet Singh Davinder Singh Prit Popander Singh Kultar Singh Kapoor
Note	A list of committee members is disclosed in trustees' report
Charity number	1088637
Principal address	67-73 King Street Southall Middlesex UB2 4DQ
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	National Westminster Bank Plc - Swanley Branch, Kent HSBC - Hayes Branch Barclays Bank Plc - Hayes Branch

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

CONTENTS

	Page
Trustees report	1 - 4
Independent auditor's report	5 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 22

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report and financial statements for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The object of the Gurudwara is to advance education, provide a place of worship, to promote all aspects of Sikhism and to provide recreational and social welfare for the benefit and well-being of the Community.

The trustees have given due consideration to Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

We aim through our Gurudwara Guru Nanak Darbar and Guru Nanak Dharmik School to provide a first class education to our boys and girls from the age of five to sixteen years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills.

The core objectives and values of the Charity still remain the same and are as follows:

- ~ To advance the education of the public by the improvement and diffusion of knowledge and information about all aspects of Sikhism.
- ~ To promote the social, cultural and educational activities of the Sikh religion, thereby advancing the provision of advice, counselling and instruction relating to the spiritual heritage of Sikhism, the Punjabi language and its customs and traditions.
- ~ To promote the benefits of the Afghan Ekta Society to the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions.
- ~ To associate with those who live within the area of benefit and the local authorities, voluntary and other organisations in a common effort to advance education and to occupations. To generally improve the conditions of life for those who live within this area of benefit.
- ~ To establish, or secure the establishment of a community centre and maintain and manage this establishment in furtherance of the above objectives.
- ~ To remain non-party in politics and non-sectarian in religion.

The principal activity of the Community Centre continues to be that of organising several activities to their full potential and benefiting the Sikh community.

The total membership now stands at around 38,000 to 42,000 and is still increasing. Boys and girls, who are registered to receive education in Punjabi language and Keertan (religious hymns), currently stands at over 2,000. The classes are held throughout the week and from those that are registered, 950 students receive Punjabi language classes at the Featherstone Primary school, hired for Sunday classes. We are excited to announce a range of new activities taking place at Norwood Hall, including: Yoga Classes, Youth Club Activities, Sikh Parenting Courses. These initiatives are open to the community and aim to promote well-being, engagement, and support for families. We encourage everyone to get involved and make the most of these opportunities.. The trustees expressed their satisfaction for the activities being carried out at the Gurudwara.

Free meals continue to be served seven days a week to all, irrespective of colour, caste or creed and the free kitchen is staffed by people on voluntary basis, rest being contributed by the institution. Also, other charity organisations keep using our kitchen occasionally to feed people of all social categories.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance

A commitment, for solemn peace and harmony, has been maintained by the continued efforts of the Management Committee, trustees and supported by the congregations. Continuous progress and emphasis is made by the Gurudwara on respect, tolerance to other cultures and cultivating human values in order to lead a good moral life.

Ideologies have been taught and encouragement to receive enlightenment of the Gurus and the learned Scholars who come to give lectures on the Universal brotherhood and tolerance to other ways of life, have been made in the community. It is intended that Sikh youths integrate in the society and cultivate good social and moral values to replace drug or alcohol abuse. It is pleasing to note that the youths are adhering to these values. They have shown great initiative, offering their voluntary assistance in key areas when we have organised religious days. We continue to have open and frank dialogue with them to discuss disadvantages of drug and alcohol abuse and every opportunity is taken to ensure that the law and order of the country is upheld at all cost.

The trustees and the members continue to consolidate its role towards building good interfaith relations. In order to achieve these relations, community members have visited other churches within this area, inviting other members of differing faiths who have enjoyed meeting one another to promote better understanding between the communities. Emphasis to respect and tolerate other cultures, cultivate human values, lead a good moral life and seek peace and harmony is made to all members of the association.

The Trustees have assessed the major risks to which the Afghan Ekta is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains its co-operation and good relations with the Police and other local Government agencies.

The trustees have ensured that Health & Safety and Food & Hygiene regulations remain a priority and have been observed to everyone's satisfaction.

The charity supports active medical camps for the benefit of the elderly and the disabled providing general health checks, advising on blood pressure, diabetes, weight and healthy eating.

The work of the trustees and management committee has been endorsed showing complete trust and confidence in their ability to meet the charities objective and its welfare.

Sikhs continued to visit the Gurudwara from UK and Europe in order to celebrate the anniversary ceremony of the Holy book "the Guru Granth Sahib Ji".

Esteemed members of our society, such as the old and elderly people, continue to receive our respect and every effort is made to listen to their valuable advice. Every facility and assistance of the temple is offered to them.

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Suggestions and constructive plans are always welcome for the improvement of our centre and we review this on regular basis bearing in mind the aims and objectives as laid down by our Constitution.

Financial review

Total reserves including Restricted and Unrestricted funds stand at £10,440,937 at 31 December 2024 (2023: £10,176,453)

It is the policy of the Afghan Ekta that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Afghan Ekta's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The trustees are considering to set up a designated fund to ring fence the value of the building

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management

The Afghan Ekta is an unincorporated charity which is governed and operated within the requirement set out in its constitution. It is run by the members of Executive Committee, which is elected every three to four years by members of Afghan Ekta at the Annual General Meeting.

The Trustees who served during the year and the details of management were listed as below.

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

New trustees and executive committee members undergo induction and are briefed about their legal obligations and responsibilities. They are also appraised of The Afghan Ekta's decision-making process, business plans and recent operational and financial performances of the organisation.

Trustees and committee members are encouraged to attend appropriate training courses, designed to help them to keep abreast of changes in Charity Laws and Regulations, Company Law and other laws such as the Data Protection, Health & Safety and Employment.

The Executive Committee, comprising the Trustees, meets regularly several times a year and is responsible for its overall management and direction, its policies and procedures, its long-term strategic development, the design of its internal controls.

Trustees:

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

President (Managing the Committee)

Mr Ragbhir Singh

General Secretary

Mr Ranjit Singh

Treasurer

Mr Nirjeet Singh

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The day to day management of the charity has been delegated by the Trustees to the Executive Committee.

Executive Members

Mr Mohan Singh
Mr Jagmohan Singh Chopra
Mr Santokh Singh
Mr Jaspreet Singh (FCCA)
Mr Sandeep Singh Arora
Mr Ajeet Singh
Mr Manohar Singh
Mr Pakat Singh
Mr Karpal Singh
Mr Mohan Singh Bajaj
Mr Surjeet Singh
Mr Varyam Singh
Mr Jagtar Singh
Mr Jeet Singh Khaneja
Mrs Ajit Kaur Wadhwa
Mrs Manit Kaur
Mrs Kiran Golati
Mrs Popender Kaur
Mr Nanak Singh
Mr Baljeet Singh Logani
Mr Gulbir Singh Kapoor
Mr Avtar Singh Chopra
Mr Harinder Singh Dua
Mr Amarjeet Singh Chopra
Mr Guljeet Singh Gabha
Mr Didaar Singh Bhatia
Mr Tajinder Singh Kahi
Mr Nirmohan Singh Sachdeva
Mr Himmat Singh

By the grace of almighty, the charity once again succeeded and maintained the past traditions and celebrated various religious events and programmes, such as Birthdays of Sikh Gurus, Vaisakhi, Bandhi Chorh Diwas, Diwali, Martyrdom days and New Year. The Charity also organised religious lectures, community meetings/debates, meditation and yoga classes. We had elderly and young members of the community who participated in the various religious events organised throughout the year.

Statement of Trustees responsibilities

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 Trustees report was approved by the Board of Trustees.

Signed by:

E18D4B04B94B4B6...
Gurmeet Singh
Trustee

Signed by:

0829B185F321417...
Kultar Singh Kapoor
Trustee

23 October 2025

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Opinion

We have audited the financial statements of Afghan Ekta Cultural/Religious Community Centre (the 'Afghan Ekta') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 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 December 2024 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; and
- have been prepared in accordance with 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 Afghan Ekta 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 Afghan Ekta'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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, 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 Afghan Ekta'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the Financial Conduct Authority, financial reporting framework, tax regulations in the jurisdictions in which the company operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also 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, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Harsheel Dodhia (Senior Statutory Auditor)
for and on behalf of KLSA LLP**

23 October 2025

**Chartered Accountants
Statutory Auditor**

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Afghan Ekta by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	1,394,603	1,522,273
Other trading activities	4	18,000	18,000
Investments	5	412	910
Total income		<u>1,413,015</u>	<u>1,541,183</u>
Expenditure on:			
Raising funds	6	163,450	196,491
Charitable activities	7	1,052,923	1,487,217
Total expenditure		<u>1,216,373</u>	<u>1,683,708</u>
Net gains/(losses) on investments	12	<u>67,842</u>	<u>17,635</u>
Net income/(expenditure) and movement in funds		264,484	(124,890)
Reconciliation of funds:			
Fund balances at 1 January 2024		<u>10,176,453</u>	<u>10,301,343</u>
Fund balances at 31 December 2024		<u>10,440,937</u>	<u>10,176,453</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	14		12,347,449		12,251,656
Current assets					
Stocks	15	10,000		10,000	
Debtors	16	28,886		17,047	
Investments	17	359,045		241,482	
Cash at bank and in hand		296,122		595,054	
			694,053		863,583
Creditors: amounts falling due within one year	19	(258,268)		(311,887)	
Net current assets			435,785		551,696
Total assets less current liabilities			12,783,234		12,803,352
Creditors: amounts falling due after more than one year	20		(2,342,297)		(2,626,899)
Net assets			10,440,937		10,176,453
The funds of the Afghan Ekta					
Unrestricted funds	21		10,440,937		10,176,453
			10,440,937		10,176,453

The financial statements were approved by the Trustees on 23 October 2025

Signed by:

 E18D4B04B94B4B6...
 Gurmeet Singh
 Trustee

Signed by:

 0829B185F321417...
 Kultar Singh Kapoor
 Trustee

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		396,302		1,414,943
Investing activities					
Purchase of tangible fixed assets		(383,521)		(1,239,823)	
Proceeds from disposal of investments		(49,720)		(33,009)	
Investment income received		412		910	
Net cash used in investing activities			(432,829)		(1,271,922)
Financing activities					
Repayment of bank loans		(262,405)		(382,247)	
Net cash used in financing activities			(262,405)		(382,247)
Net decrease in cash and cash equivalents			(298,932)		(239,226)
Cash and cash equivalents at beginning of year			595,054		834,280
Cash and cash equivalents at end of year			296,122		595,054

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Afghan Ekta Cultural/Religious Community Centre is a registered charity, registered with the Charity Commission since 27 September 2001.

1.1 Accounting convention

The accounts have been prepared in accordance with the Afghan Ekta's Trustees Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Afghan Ekta is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Afghan Ekta has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Afghan Ekta is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Afghan Ekta has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gold and jewellery donations are measured at fair value. The donated gold and jewellery are valued at balance sheet date by professional gold valuation company and recognised as gold donation income.

Income for trading activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts. All income from trading activities is used for charity purpose.

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Resources expended

All expenses are included in the financial statements on an accrual basis inclusive of any VAT which cannot be removed and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Support costs

The administrative and overhead costs associated with running the office from which the charity operates as well as governance costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost over their useful lives on the following bases:

Land and buildings	2% Straight Line Method on buildings
Plant and machinery	20% Reducing Balance Method
Fixtures, fittings & equipment	20% Reducing Balance Method
Motor vehicles	25% Reducing Balance Method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Afghan Ekta reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs compared to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are perishable food for free meals served to all visitors, which are stated at cost. The stocks are fast moving items and no provisions for slow moving and obsolete stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Afghan Ekta has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Afghan Ekta's balance sheet when the Afghan Ekta becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Donated gold is initially measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Any transaction costs and valuation fees are expensed as incurred.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Afghan Ekta's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the Afghan Ekta's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful lives, depreciation methods and residual values of tangible fixed assets

Trustees reviews the useful lives, depreciation methods and residual values of the items of tangible fixed assets and on a regular basis. During the year, the trustees determined no significant changes in the useful lives and residual values. The carrying amounts of tangible fixed assets are disclosed in notes 14 respectively.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	1,344,881	1,489,264
Other	49,722	33,009
	<u>1,394,603</u>	<u>1,522,273</u>

Others are donated gold which is valued by Gold Bank London at the balance sheet date. The total addition of £49,722 was recognised as donation income (2023- £33,099).

Donation in kind of the year was not included because of the volunteer time and value cannot be measured reliably.

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	18,000	18,000
	<u>18,000</u>	<u>18,000</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	412	910
	<u>412</u>	<u>910</u>

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Seeking donations, grants and legacies	163,450	196,491
	<u>163,450</u>	<u>196,491</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Charitable activities

	Charitable activities 2024 £	Governance costs 2024 £	Total 2024 £	Total 2023 £
Charitable activities	-	-	-	513,415
Donation to charities	11,491	-	11,491	42,501
	<u>11,491</u>	<u>-</u>	<u>11,491</u>	<u>555,916</u>
Share of support costs (see note 8)	1,014,540	-	1,014,540	962,941
Share of governance costs (see note 8)	-	26,892	26,892	(31,640)
	<u>1,026,031</u>	<u>26,892</u>	<u>1,052,923</u>	<u>1,487,217</u>

The donation to charities consists of £7,860 to BABA SHRI CHAND BABA HARI SHA EV, a registered religious and cultural organisation based in Germany, donation of £1,530 to NISHKAM TV, a registered non-profit organisation in USA and donation of £2,100 to Asian Literary and Cultural Forum UK, registered company in England.

8 Support costs allocated to activities

	2024 £	2023 £
Staff costs	169,610	114,866
Depreciation	287,727	281,973
Rent	49,144	49,642
Rates	31,770	22,401
Insurance	30,058	28,819
Light and Heat	107,697	144,971
Cleaning and casual	55,225	41,325
Repairs and renewals	81,358	60,892
Motor and Travel expense	4,178	5,120
Printing, postage	2,856	5,924
Interest paid on loan	188,298	200,141
Bank charge	6,619	6,867
Governance costs	26,892	(31,640)
	<u>1,041,432</u>	<u>931,301</u>
Analysed between:		
Support costs	1,014,540	962,941
Governance cost	26,892	(31,640)
	<u>1,041,432</u>	<u>931,301</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9	Net movement in funds	2024	2023
		£	£

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	10,600	9,606
Depreciation of owned tangible fixed assets	287,727	281,973
	<u> </u>	<u> </u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Afghan Ekta during the year.

11 Employees

The average monthly number of employees during the year was:

2024	2023
Number	Number
7	5
<u> </u>	<u> </u>

Employment costs

	2024	2023
	£	£
Wages and salaries	169,610	114,866
	<u> </u>	<u> </u>

At the balance sheet date, £4,328 (2023: £2,697) pension contribution was made by employer. There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

12 Gains and losses on investments

	Unrestricted	Unrestricted
	funds	funds
	2024	2023
	£	£
Gains/(losses) arising on:		
Revaluation of investments	67,842	17,635
	<u> </u>	<u> </u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Tangible fixed assets	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2024	14,327,714	34,655	142,228	28,850	14,533,447
Additions	382,564	300	657	-	383,521
At 31 December 2024	<u>14,710,278</u>	<u>34,955</u>	<u>142,885</u>	<u>28,850</u>	<u>14,916,968</u>
Depreciation					
At 1 January 2024	2,115,171	30,439	121,104	15,078	2,281,792
Depreciation charged in the year	279,025	903	4,356	3,443	287,727
At 31 December 2024	<u>2,394,196</u>	<u>31,342</u>	<u>125,460</u>	<u>18,521</u>	<u>2,569,519</u>
Carrying amount					
At 31 December 2024	<u>12,316,082</u>	<u>3,613</u>	<u>17,425</u>	<u>10,329</u>	<u>12,347,449</u>
At 31 December 2023	<u>12,212,544</u>	<u>4,216</u>	<u>21,124</u>	<u>13,772</u>	<u>12,251,656</u>
15 Stocks				2024	2023
				£	£
Finished goods and goods for resale				10,000	10,000
16 Debtors				2024	2023
Amounts falling due within one year:				£	£
Other debtors				2,114	2,047
Prepayments and accrued income				26,772	15,000
				<u>28,886</u>	<u>17,047</u>
17 Current asset investments				2024	2023
				£	£
Donated gold				359,045	241,482

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 Loans and overdrafts

	2024	2023
	£	£
Bank loans	2,530,641	2,793,046
Payable within one year	188,344	166,147
Payable after one year	2,342,297	2,626,899

The long-term loans are secured by fixed charges over Afghan Ekta Cultural/Religious Community Centre's freehold properties.

The bank loans are subject to commercial rates of interest and repayable by monthly instalments of capital and interest over the term of the loans.

19 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	18	188,344	166,147
Other taxation and social security		3,076	2,048
Other creditors		40,636	20,291
Accruals and deferred income		26,212	123,401
		258,268	311,887

20 Creditors: amounts falling due after more than one year

	Notes	2024	2023
		£	£
Bank loans	18	2,342,297	2,626,899

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
General funds	10,176,453	1,413,015	(1,216,373)	67,842	10,440,937

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Unrestricted funds (Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	10,301,343	1,541,183	(1,683,708)	17,635	10,176,453

22 Analysis of net assets between funds

	Unrestricted funds 2024 £
At 31 December 2024:	
Tangible assets	12,347,449
Current assets/(liabilities)	435,785
Long term liabilities	(2,342,297)
	<u>10,440,937</u>
	<u>10,440,937</u>
	Unrestricted funds 2023 £
At 31 December 2023:	
Tangible assets	12,251,656
Current assets/(liabilities)	551,696
Long term liabilities	(2,626,899)
	<u>10,176,453</u>
	<u>10,176,453</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Related party transactions

There were no disclosable related party transactions during the year (2023- none). No trustee received any remuneration during the year. Other than the trustees, the charity does not consider itself to have any other key management personnel. No expenses were reimbursed to trustees. No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year.

24 Taxation

Afghan Ekta Cultural/Religious Community Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

25 Cash generated from operations	2024 £	2023 £
Surplus/(deficit) for the year	264,484	(124,890)
Adjustments for:		
Investment income recognised in statement of financial activities	(412)	(910)
Fair value gains and losses on investments	(67,842)	(17,635)
Depreciation and impairment of tangible fixed assets	287,727	281,973
Movements in working capital:		
(Increase)/decrease in stocks	-	3,420
(Increase)/decrease in debtors	(11,839)	1,247,797
(Decrease)/increase in creditors	(75,816)	25,188
Cash generated from operations	<u>396,302</u>	<u>1,414,943</u>

26 Analysis of changes in net (debt)/funds

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	595,054	(298,932)	296,122
Loans falling due within one year	(166,147)	(22,197)	(188,344)
Loans falling due after more than one year	(2,626,899)	284,602	(2,342,297)
	<u>(2,197,992)</u>	<u>(36,527)</u>	<u>(2,234,519)</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales - Charity number 1088637

Accounts

Charity registration number 1088637

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gurmeet Singh Davinder Singh Prit Popander Singh Kultar Singh Kapoor
Note	A list of committee members is disclosed in trustees' report
Charity number	1088637
Principal address	67-73 King Street Southall Middlesex UB2 4DQ
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	National Westminster Bank Plc - Swanley Branch, Kent HSBC - Hayes Branch Barclays Bank Plc - Hayes Branch

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

CONTENTS

	Page
Trustees report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The object of the Gurudwara is to advance education, provide a place of worship, to promote all aspects of Sikhism and to provide recreational and social welfare for the benefit and well-being of the Community.

The trustees have given due consideration to Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

We aim through our Gurudwara Guru Nanak Darbar and Guru Nanak Dharmik School to provide a first class education to our boys and girls from the age of five to sixteen years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills.

The core objectives and values of the Charity still remain the same and are as follows:

~ To advance the education of the public by the improvement and diffusion of knowledge and information about all aspects of Sikhism.

~ To promote the social, cultural and educational activities of the Sikh religion, thereby advancing the provision of advice, counselling and instruction relating to the spiritual heritage of Sikhism, the Punjabi language and its customs and traditions.

~ To promote the benefits of the Afghan Ekta Society to the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions.

~ To associate with those who live within the area of benefit and the local authorities, voluntary and other organisations in a common effort to advance education and to occupations. To generally improve the conditions of life for those who live within this area of benefit.

~ To establish, or secure the establishment of a community centre and maintain and manage this establishment in furtherance of the above objectives.

~ To remain non-party in politics and non-sectarian in religion.

The principal activity of the Community Centre continues to be that of organising several activities to their full potential and benefiting the Sikh community.

The total membership now stands at around 35,000 to 40,000 and is still increasing. Boys and girls, who are registered to receive education in Punjabi language and Keertan (religious hymns), currently stands at over 2,000. The classes are held throughout the week and from those that are registered, 950 students receive Punjabi language classes at the Featherstone Primary school, hired for Sunday classes. The trustees expressed their satisfaction for the activities being carried out at the Gurudwara.

Free meals continue to be served seven days a week to all, irrespective of colour, caste or creed and the free kitchen is staffed by people on voluntary basis, rest being contributed by the institution. Also, other charity organisations keep using our kitchen occasionally to feed people of all social categories.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

A commitment, for solemn peace and harmony, has been maintained by the continued efforts of the Management Committee, trustees and supported by the congregations. Continuous progress and emphasis is made by the Gurudwara on respect, tolerance to other cultures and cultivating human values in order to lead a good moral life.

Ideologies have been taught and encouragement to receive enlightenment of the Gurus and the learned Scholars who come to give lectures on the Universal brotherhood and tolerance to other ways of life, have been made in the community. It is intended that Sikh youths integrate in the society and cultivate good social and moral values to replace drug or alcohol abuse. It is pleasing to note that the youths are adhering to these values. They have shown great initiative, offering their voluntary assistance in key areas when we have organised religious days. We continue to have open and frank dialogue with them to discuss disadvantages of drug and alcohol abuse and every opportunity is taken to ensure that the law and order of the country is upheld at all cost.

The trustees and the members continue to consolidate its role towards building good interfaith relations. In order to achieve these relations, community members have visited other churches within this area, inviting other members of differing faiths who have enjoyed meeting one another to promote better understanding between the communities. Emphasis to respect and tolerate other cultures, cultivate human values, lead a good moral life and seek peace and harmony is made to all members of the association.

The Trustees have assessed the major risks to which the Afghan Ekta is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains its co-operation and good relations with the Police and other local Government agencies.

The trustees have ensured that Health & Safety and Food & Hygiene regulations remain a priority and have been observed to everyone's satisfaction.

The charity supports active medical camps for the benefit of the elderly and the disabled providing general health checks, advising on blood pressure, diabetes, weight and healthy eating.

The work of the trustees and management committee has been endorsed showing complete trust and confidence in their ability to meet the charities objective and its welfare.

Sikhs continued to visit the Gurudwara from UK and Europe in order to celebrate the anniversary ceremony of the Holy book "the Guru Granth Sahib Ji".

Esteemed members of our society, such as the old and elderly people, continue to receive our respect and every effort is made to listen to their valuable advice. Every facility and assistance of the temple is offered to them.

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Suggestions and constructive plans are always welcome for the improvement of our centre and we review this on regular basis bearing in mind the aims and objectives as laid down by our Constitution.

Financial review

Total reserves including Restricted and Unrestricted funds stand at £10,176,453 at 31 December 2023 (2022: £10,301,343)

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

It is the policy of the Afghan Ekta that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Afghan Ekta's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The trustees are considering to set up a designated fund to ring fence the value of the building

Structure, governance and management

The Afghan Ekta is an unincorporated charity which is governed and operated within the requirement set out in its constitution. It is run by the members of Executive Committee, which is elected every three to four years by members of Afghan Ekta at the Annual General Meeting.

The Trustees who served during the year and the details of management were listed as below.

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

New trustees and executive committee members undergo induction and are briefed about their legal obligations and responsibilities. They are also appraised of The Afghan Ekta's decision-making process, business plans and recent operational and financial performances of the organisation.

Trustees and committee members are encouraged to attend appropriate training courses, designed to help them to keep abreast of changes in Charity Laws and Regulations, Company Law and other laws such as the Data Protection, Health & Safety and Employment.

The Executive Committee, comprising the Trustees, meets regularly several times a year and is responsible for its overall management and direction, its policies and procedures, its long-term strategic development, the design of its internal controls.

Trustees:

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

President (Managing the Committee)

Mr Mr Ragbhir Singh

General Secretary

Mr Ranjit Singh

Treasurer

Mr Nirjeet Singh

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The day to day management of the charity has been delegated by the Trustees to the Executive Committee.

Executive Members

Mr Mohan Singh
Mr Jagmohan Singh Chopra
Mr Santokh Singh
Mr Jaspreet Singh (FCCA)
Mr Sandeep Singh Arora
Mr Ajeet Singh
Mr Manohar Singh
Mr Pakat Singh
Mr Karpal Singh
Mr Mohan Singh Bajaj
Mr Surjeet Singh
Mr Varyam Singh
Mr Jagtar Singh
Mr Jeet Singh Khaneja
Mrs Ajit Kaur Wadhwa
Mrs Manit Kaur
Mrs Kiran Golati
Mrs Pender Kaur
Mr Nanak Singh
Mr Baljeet Singh Logani
Mr Gulbir Singh Kapoor
Mr Avtar Singh Chopra
Mr Harinder Singh Dua
Mr Amarjeet Singh Chopra
Mr Guljeet Singh Gabha
Mr Didaar Singh Bhatia
Mr Tajinder Singh Kahi
Mr Nirmohan Singh Sachdeva
Mr Himmat Singh

By the grace of almighty, the charity once again succeeded and maintained the past traditions and celebrated various religious events and programmes, such as Birthdays of Sikh Gurus, Vaisakhi, Bandhi Chorh Diwas, Diwali, Martyrdom days and New Year. The Charity also organised religious lectures, community meetings/debates, meditation and yoga classes. We had elderly and young members of the community who participated in the various religious events organised throughout the year.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Trustees responsibilities

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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Afghan Ekta and of the incoming resources and application of resources of the Afghan Ekta for that year.

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 Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Afghan Ekta and 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 Afghan Ekta and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees report was approved by the Board of Trustees.

Gurmeet Singh
Trustee

Kultar Singh Kapoor
Trustee

24 October 2024

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Opinion

We have audited the financial statements of Afghan Ekta Cultural/Religious Community Centre (the 'Afghan Ekta') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 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 December 2023 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; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Afghan Ekta 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 Afghan Ekta'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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, 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 Afghan Ekta'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the Financial Conduct Authority, financial reporting framework, tax regulations in the jurisdictions in which the company operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also 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, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ketan Shah (Senior Statutory Auditor)
for and on behalf of KLSA LLP

24 October 2024

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Afghan Ekta by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	1,522,273	1,332,973
Other trading activities	4	18,000	18,000
Investments	5	910	1,041
Total income		<u>1,541,183</u>	<u>1,352,014</u>
Expenditure on:			
Raising funds	6	196,491	109,248
Charitable activities	7	1,487,217	879,107
Other expenditure	12	-	12,913
Total expenditure		<u>1,683,708</u>	<u>1,001,268</u>
Net gains/(losses) on investments	13	17,635	23,295
Net income/(expenditure) and movement in funds		<u>(124,890)</u>	<u>374,041</u>
Reconciliation of funds:			
Fund balances at 1 January 2023		10,301,343	9,927,302
Fund balances at 31 December 2023		<u>10,176,453</u>	<u>10,301,343</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	15		12,251,656		11,293,806
Current assets					
Stocks	16	10,000		13,420	
Debtors	17	17,047		1,264,844	
Investments	18	241,482		190,838	
Cash at bank and in hand		595,054		834,280	
			<u>863,583</u>		<u>2,303,382</u>
Creditors: amounts falling due within one year	19	<u>(311,887)</u>		<u>(278,738)</u>	
Net current assets			<u>551,696</u>		<u>2,024,644</u>
Total assets less current liabilities			<u>12,803,352</u>		<u>13,318,450</u>
Creditors: amounts falling due after more than one year	20		<u>(2,626,899)</u>		<u>(3,017,107)</u>
Net assets			<u>10,176,453</u>		<u>10,301,343</u>
The funds of the Afghan Ekta					
Unrestricted funds	22		<u>10,176,453</u>		<u>10,301,343</u>
			<u>10,176,453</u>		<u>10,301,343</u>

The financial statements were approved by the Trustees on 24 October 2024

Gurmeet Singh
Trustee

Kultar Singh Kapoor
Trustee

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		1,432,578		(595,893)
Investing activities					
Purchase of tangible fixed assets		(1,239,823)		-	
Proceeds from disposal of investments		(50,644)		(52,884)	
Investment income received		910		1,041	
Net cash used in investing activities			(1,289,557)		(51,843)
Financing activities					
Repayment of bank loans		(382,247)		701,116	
Net cash (used in)/generated from financing activities			(382,247)		701,116
Net (decrease)/increase in cash and cash equivalents			(239,226)		53,380
Cash and cash equivalents at beginning of year			834,280		780,900
Cash and cash equivalents at end of year			595,054		834,280

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Afghan Ekta Cultural/Religious Community Centre is a registered charity, registered with the Charity Commission since 27 September 2001.

1.1 Accounting convention

The accounts have been prepared in accordance with the Afghan Ekta's Trustees Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Afghan Ekta is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Afghan Ekta has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Afghan Ekta is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Afghan Ekta has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gold and jewellery donations are measured at fair value. The donated gold and jewellery are valued at balance sheet date by professional gold valuation company and recognised as gold donation income.

Income for trading activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts. All income from trading activities is used for charity purpose.

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Resources expended

All expenses are included in the financial statements on an accrual basis inclusive of any VAT which cannot be removed and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Support costs

The administrative and overhead costs associated with running the office from which the charity operates as well as governance costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost over their useful lives on the following bases:

Land and buildings	2% Straight Line Method on buildings
Plant and machinery	20% Reducing Balance Method
Fixtures, fittings & equipment	20% Reducing Balance Method
Motor vehicles	25% Reducing Balance Method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Afghan Ekta reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs compared to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are perishable food for free meals served to all visitors, which are stated at cost. The stocks are fast moving items and no provisions for slow moving and obsolete stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Afghan Ekta has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Afghan Ekta's balance sheet when the Afghan Ekta becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Donated gold is initially measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Any transaction costs and valuation fees are expensed as incurred.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Afghan Ekta's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the Afghan Ekta's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful lives, depreciation methods and residual values of tangible fixed assets

Trustees reviews the useful lives, depreciation methods and residual values of the items of tangible fixed assets and on a regular basis. During the year, the trustees determined no significant changes in the useful lives and residual values. The carrying amounts of tangible fixed assets are disclosed in notes 15 respectively.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	1,489,264	1,303,384
Other	33,009	29,589
	<u>1,522,273</u>	<u>1,332,973</u>

Others are donated gold which is valued by Gold Bank London at the balance sheet date. The total addition of £33,009 was recognised as donation income (2022- £29,589).

Donation in kind of the year was not included because of the volunteer time and value cannot be measured reliably.

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	18,000	18,000
	<u>18,000</u>	<u>18,000</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	910	1,041
	<u>910</u>	<u>1,041</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Seeking donations, grants and legacies	196,491	109,248

7 Charitable activities

	Charitable activities 2023 £	Governance costs 2023 £	Total 2023 £	Total 2022 £
Charitable activities	513,415	-	513,415	145,575
Donation to charities	42,501	-	42,501	765
	555,916	-	555,916	146,340
Share of support costs (see note 8)	962,941	-	962,941	714,479
Share of governance costs (see note 8)	-	(31,640)	(31,640)	18,288
	1,518,857	(31,640)	1,487,217	879,107

The donation to charity consists of £513,415 to The Manmeet Singh Bhullar Foundation, a registered charity through the Canadian Revenue Agency, donation of £21,000 to Miri Piri Afghan Sangat Charitable Trust registered charity in England, donation of £21,000 to Gurudwara Guru Har Rai Sahib Antwerp based in Belgium, donation of £501 to The Voice of Women Limited, registered charitable company in England.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs allocated to activities

	2023 £	2022 £
Staff costs	114,866	108,278
Depreciation	281,973	261,717
Rent	49,642	46,452
Rates	22,401	25,086
Insurance	28,819	25,612
Light and Heat	144,971	27,643
Cleaning and casual	41,325	40,535
Repairs and renewals	60,892	76,160
Motor and Travel expense	5,120	5,587
Printing, postage	5,924	4,042
Interest paid on loan	200,141	87,218
Bank charge	6,867	6,149
Governance costs	(31,640)	18,288
	<u>931,301</u>	<u>732,767</u>
Analysed between:		
Support costs	962,941	714,479
Governance cost	(31,640)	18,288
	<u>931,301</u>	<u>732,767</u>

9 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,606	10,886
Depreciation of owned tangible fixed assets	281,973	261,717
	<u>291,579</u>	<u>272,603</u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Afghan Ekta during the year.

11 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
5	5
<u>5</u>	<u>5</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	114,866	108,278

At the balance sheet date, £2,697 (2022: £2,652) pension contribution was made by employer. There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

12 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Financing costs	-	12,913

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Revaluation of investments	17,635	23,295

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2023	13,089,892	32,655	142,228	28,850	13,293,625
Additions	1,237,823	2,000	-	-	1,239,823
At 31 December 2023	14,327,715	34,655	142,228	28,850	14,533,448
Depreciation					
At 1 January 2023	1,844,124	29,385	115,823	10,487	1,999,819
Depreciation charged in the year	271,047	1,054	5,281	4,591	281,973
At 31 December 2023	2,115,171	30,439	121,104	15,078	2,281,792
Carrying amount					
At 31 December 2023	12,212,544	4,216	21,124	13,772	12,251,656
At 31 December 2022	11,245,768	3,270	26,405	18,363	11,293,806

16 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	10,000	13,420

17 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	2,047	1,259,925
Prepayments and accrued income	15,000	4,919
	17,047	1,264,844

18 Current asset investments

	2023	2022
	£	£
Donated gold	241,482	190,838

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	21	166,147	158,186
Other taxation and social security		2,048	1,896
Other creditors		20,291	99,139
Accruals and deferred income		123,401	19,517
		<u>311,887</u>	<u>278,738</u>

20 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	21	2,626,899	3,017,107
		<u>2,626,899</u>	<u>3,017,107</u>

21 Loans and overdrafts

	2023 £	2022 £
Bank loans	2,793,046	3,175,293
	<u>2,793,046</u>	<u>3,175,293</u>
Payable within one year	166,147	158,186
Payable after one year	2,626,899	3,017,107
	<u>2,626,899</u>	<u>3,017,107</u>
Amounts included above which fall due after five years:		
Payable by instalments	2,525,020	2,525,020
	<u>2,525,020</u>	<u>2,525,020</u>

The long-term loans are secured by fixed charges over Afghan Ekta Cultural/Religious Community Centre's freehold properties.

The bank loans are subject to commercial rates of interest and repayable by monthly instalments of capital and interest over the term of the loans.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	10,301,343	1,541,183	(1,683,708)	17,635	10,176,453
	<u>10,301,343</u>	<u>1,541,183</u>	<u>(1,683,708)</u>	<u>17,635</u>	<u>10,176,453</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	9,927,302	1,352,014	(1,001,268)	23,295	10,301,343
	<u>9,927,302</u>	<u>1,352,014</u>	<u>(1,001,268)</u>	<u>23,295</u>	<u>10,301,343</u>

23 Analysis of net assets between funds

	Unrestricted funds 2023 £
At 31 December 2023:	
Tangible assets	12,251,656
Current assets/(liabilities)	551,696
Long term liabilities	(2,626,899)
	<u>10,176,453</u>
	<u>10,176,453</u>
	Unrestricted funds 2022 £
At 31 December 2022:	
Tangible assets	11,293,806
Current assets/(liabilities)	2,024,644
Long term liabilities	(3,017,107)
	<u>10,301,343</u>
	<u>10,301,343</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Related party transactions

There were no disclosable related party transactions during the year (2022- none). No trustee received any remuneration during the year. Other than the trustees, the charity does not consider itself to have any other key management personnel. No expenses were reimbursed to trustees. No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year.

25 Taxation

Afghan Ekta Cultural/Religious Community Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

26 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(124,890)	374,041
Adjustments for:		
Investment income recognised in statement of financial activities	(910)	(1,041)
Depreciation and impairment of tangible fixed assets	281,973	261,717
Movements in working capital:		
Decrease/(increase) in stocks	3,420	(3,706)
Decrease/(increase) in debtors	1,247,797	(1,261,813)
Increase in creditors	25,188	34,909
Cash generated from/(absorbed by) operations	1,432,578	(595,893)

27 Analysis of changes in net (debt)/funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	834,280	(239,226)	595,054
Loans falling due within one year	(158,186)	(7,961)	(166,147)
Loans falling due after more than one year	(3,017,107)	390,208	(2,626,899)
	<u>(2,341,013)</u>	<u>143,021</u>	<u>(2,197,992)</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales - Charity number 1088637

Accounts

Charity registration number 1088637

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gurmeet Singh Davinder Singh Prit Popander Singh Kultar Singh Kapoor
Note	A list of committee members is disclosed in trustees' report
Charity number	1088637
Principal address	67-73 King Street Southall Middlesex UB2 4DQ
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	National Westminster Bank Plc - Swanley Branch, Kent HSBC - Hayes Branch Metro - Hayes Branch

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

CONTENTS

	Page
Trustees report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 23

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The object of the Gurudwara is to advance education, provide a place of worship, to promote all aspects of Sikhism and to provide recreational and social welfare for the benefit and well-being of the Community.

The trustees have given due consideration to Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

We aim through our Gurudwara Guru Nanak Darbar and Guru Nanak Dharmik School to provide a first class education to our boys and girls from the age of five to sixteen years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills.

The core objectives and values of the Charity still remain the same and are as follows:

- ~ To advance the education of the public by the improvement and diffusion of knowledge and information about all aspects of Sikhism.
- ~ To promote the social, cultural and educational activities of the Sikh religion, thereby advancing the provision of advice, counselling and instruction relating to the spiritual heritage of Sikhism, the Punjabi language and its customs and traditions.
- ~ To promote the benefits of the Afghan Ekta Society to the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions.
- ~ To associate with those who live within the area of benefit and the local authorities, voluntary and other organisations in a common effort to advance education and to occupations. To generally improve the conditions of life for those who live within this area of benefit.
- ~ To establish, or secure the establishment of a community centre and maintain and manage this establishment in furtherance of the above objectives.
- ~ To remain non-party in politics and non-sectarian in religion.

The principal activity of the Community Centre continues to be that of organising several activities to their full potential and benefiting the Sikh community.

The total membership now stands at around 30,000 to 35,000 and is still increasing. Boys and girls, who are registered to receive education in Punjabi language and Keertan (religious hymns), currently stands at over 2,000. The classes are held throughout the week and from those that are registered, 700 students receive Punjabi language classes at the Featherstone Primary school, hired for Sunday classes. The trustees expressed their satisfaction for the activities being carried out at the Gurudwara.

Free meals continue to be served seven days a week to all, irrespective of colour, caste or creed and the free kitchen is staffed by people on voluntary basis, rest being contributed by the institution. Also, other charity organisations keep using our kitchen occasionally to feed people of all social categories.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

A commitment, for solemn peace and harmony, has been maintained by the continued efforts of the Management Committee, trustees and supported by the congregations. Continuous progress and emphasis is made by the Gurudwara on respect, tolerance to other cultures and cultivating human values in order to lead a good moral life.

Ideologies have been taught and encouragement to receive enlightenment of the Gurus and the learned Scholars who come to give lectures on the Universal brotherhood and tolerance to other ways of life, have been made in the community. It is intended that Sikh youths integrate in the society and cultivate good social and moral values to replace drug or alcohol abuse. It is pleasing to note that the youths are adhering to these values. They have shown great initiative, offering their voluntary assistance in key areas when we have organised religious days. We continue to have open and frank dialogue with them to discuss disadvantages of drug and alcohol abuse and every opportunity is taken to ensure that the law and order of the country is upheld at all cost.

The trustees and the members continue to consolidate its role towards building good interfaith relations. In order to achieve these relations, community members have visited other churches within this area, inviting other members of differing faiths who have enjoyed meeting one another to promote better understanding between the communities. Emphasis to respect and tolerate other cultures, cultivate human values, lead a good moral life and seek peace and harmony is made to all members of the association.

The Trustees have assessed the major risks to which the Afghan Ekta is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains its co-operation and good relations with the Police and other local Government agencies.

The trustees have ensured that Health & Safety and Food & Hygiene regulations remain a priority and have been observed to everyone's satisfaction.

The charity supports active medical camps for the benefit of the elderly and the disabled providing general health checks, advising on blood pressure, diabetes, weight and healthy eating.

The work of the trustees and management committee has been endorsed showing complete trust and confidence in their ability to meet the charities objective and its welfare.

Sikhs continued to visit the Gurudwara from UK and Europe in order to celebrate the anniversary ceremony of the Holy book "the Guru Granth Sahib Ji".

Esteemed members of our society, such as the old and elderly people, continue to receive our respect and every effort is made to listen to their valuable advice. Every facility and assistance of the temple is offered to them.

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Suggestions and constructive plans are always welcome for the improvement of our centre and we review this on regular basis bearing in mind the aims and objectives as laid down by our Constitution.

Financial review

Total reserves including Restricted and Unrestricted funds stand at £10,301,343 at 31 December 2022 (2021: £9,927,302)

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

It is the policy of the Afghan Ekta that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Afghan Ekta's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The trustees are considering to set up a designated fund to ring fence the value of the building

Structure, governance and management

The Afghan Ekta is an unincorporated charity which is governed and operated within the requirement set out in its constitution.

The Trustees who served during the year and the details of management were listed as below.

G. Singh
D. Prit
P. Singh
K. Kapoor

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Trustees:

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

President (Managing the Committee)

Mr Satpal Singh Bindra

General Secretary

Mr Gurmeet Singh Madhan

Treasurer

Mr Armon Singh Maddan

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The day to day management of the charity has been delegated by the Trustees to the Executive Committee.

Executive Members

Mr.Manmit Singh
Mr.Sanjit Singh Chawla
Mr.Harinder Singh Gabha
Mr.Rajender Singh Soni
Mr.Papu Singh
Mr.Kulvant Singh
Mr.Gurmeet Singh Nagpal
Mr.Ram Singh
Mr.Paramjit Singh Gabha
Mr.Karamjit Singh Sachdeva
Mr.Bachan Singh Vigg
Mr.Sandeep Singh Arora
Mr.Jaspreet Singh
Mr.Pritpal Singh Bewas
Mr.Kulbeer Singh
Mr.Jasbir Singh Gulati
Mr.Sant Singh Kandusi
Mr.Jetender Singh Chawla
Mr.Ajeet Singh
Mrs.Mena Kaur Kaneja
Mrs.Surjeet Kaur
Mr.Ram Singh Malhotra
Mr.Lal Singh Chadha
Mr.Doulat Singh Kapour
Mrs.Manor Kaur
Mrs.Gaurandar Kaur Poonyani
Mr.Hardit Singh Gurwara
Mr.Jaginder Singh
Mr.Jasbir Singh Sultanpuri
Mrs.Balbir Kaur Bhatia

By the grace of almighty, the charity once again succeeded and maintained the past traditions and celebrated various religious events and programmes, such as Birthdays of Sikh Gurus, Valsakhi, Bandhi Chorh Diwas, Diwali, Martyrdom days and New Year. The Charity also organised religious lectures, community meetings/debates, meditation and yoga classes. We had elderly and young members of the community who participated in the various religious events organised throughout the year.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees responsibilities

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).

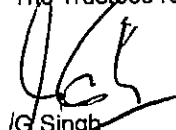
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Afghan Ekta and of the incoming resources and application of resources of the Afghan Ekta for that year.

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 Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

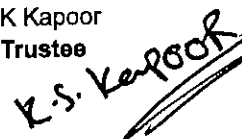
The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Afghan Ekta and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Afghan Ekta and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees report was approved by the Board of Trustees.


G Singh
Trustee

18 October 2023

K Kapoor
Trustee


K.S. Kapoor

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Opinion

We have audited the financial statements of Afghan Ekta Cultural/Religious Community Centre (the 'Afghan Ekta') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 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 December 2022 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; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Afghan Ekta 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 Afghan Ekta'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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, 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 Afghan Ekta'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

We assessed the impact of COVID-19 on the Inherent risk of fraud, including potential opportunities for fraud with remote working and government grants.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the Financial Conduct Authority, financial reporting framework, tax regulations in the jurisdictions in which the company operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also 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, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

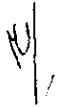
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ketan Shah (Senior Statutory Auditor)
for and on behalf of KLSA LLP

18 October 2023

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Afghan Ekta by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Income and endowments from:					
Donations	3	1,332,973	1,213,165	-	1,213,165
Charitable activities					
Other trading activities	4	18,000	18,000	-	18,000
Investments	5	1,041	22	-	22
Other income	6	-	-	8,943	8,943
Total income and endowments		1,352,014	1,231,187	8,943	1,240,130
Expenditure on:					
Raising funds	7	109,248	92,921	-	92,921
Charitable activities	8	879,107	572,053	-	572,053
Other	12	12,913	-	-	-
Total expenditure		1,001,268	664,974	-	664,974
Net gains/(losses) on investments	13	23,295	(1,660)	-	(1,660)
Net movement in funds		374,041	564,553	8,943	573,496
Fund balances at 1 January 2022		9,927,302	9,353,806	-	9,353,806
Fund balances at 31 December 2022		10,301,343	9,918,359	8,943	9,927,302

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	15		11,293,806		11,555,523
Current assets					
Stocks	16	13,420		9,714	
Debtors	17	1,264,844		3,031	
Investments	18	190,838		137,954	
Cash at bank and in hand		834,280		780,900	
			<u>2,303,382</u>		<u>931,599</u>
Creditors: amounts falling due within one year	19	<u>(278,738)</u>		<u>(235,034)</u>	
Net current assets			<u>2,024,644</u>		<u>696,565</u>
Total assets less current liabilities			<u>13,318,450</u>		<u>12,252,088</u>
Creditors: amounts falling due after more than one year	20		<u>(3,017,107)</u>		<u>(2,324,786)</u>
Net assets			<u><u>10,301,343</u></u>		<u><u>9,927,302</u></u>
Capital funds					
Endowment funds			-		8,943
Income funds					
Unrestricted funds - general			<u>10,301,343</u>		<u>9,918,359</u>
			<u><u>10,301,343</u></u>		<u><u>9,927,302</u></u>

The financial statements were approved by the Trustees on 18 October 2023

G Singh
Trustee


K Kapoor
Trustee


K. S. Kapoor

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(595,893)		783,913
Investing activities					
Purchase of tangible fixed assets		-		(74,266)	
Proceeds from disposal of investments		(52,884)		(60,690)	
Investment Income received		1,041		22	
Net cash used in investing activities			(51,843)		(134,934)
Financing activities					
Repayment of bank loans		701,116		(422,049)	
Net cash generated from/(used in) financing activities			701,116		(422,049)
Net increase in cash and cash equivalents			53,380		226,930
Cash and cash equivalents at beginning of year			780,900		553,970
Cash and cash equivalents at end of year			834,280		780,900

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity Information

Afghan Ekta Cultural/Religious Community Centre is a registered charity, registered with the Charity Commission since 27 September 2001.

1.1 Accounting convention

The accounts have been prepared in accordance with the Afghan Ekta's Trustees Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Afghan Ekta is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Afghan Ekta has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Afghan Ekta is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Afghan Ekta has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gold and Jewellery donations are measured at fair value. The donated gold and Jewellery are valued at balance sheet date by professional gold valuation company and recognised as gold donation income.

Income for trading activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts. All income from trading activities is used for charity purpose.

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Resources expended

All expenses are included in the financial statements on an accrual basis inclusive of any VAT which cannot be removed and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Support costs

The administrative and overhead costs associated with running the office from which the charity operates as well as governance costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost over their useful lives on the following bases:

Land and buildings	2% Straight Line Method on buildings
Plant and machinery	20% Reducing Balance Method
Fixtures, fittings & equipment	20% Reducing Balance Method
Motor vehicles	25% Reducing Balance Method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Afghan Ekta reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs compared to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are perishable food for free meals served to all visitors, which are stated at cost. The stocks are fast moving items and no provisions for slow moving and obsolete stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial Instruments

The Afghan Ekta has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Afghan Ekta's balance sheet when the Afghan Ekta becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Donated gold is initially measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Any transaction costs and valuation fees are expensed as incurred.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Afghan Ekta's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the Afghan Ekta's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Obsolete stocks.

There are no provisions for slow moving and obsolete stocks.

Fixed assets useful lives

Building useful life is estimated as 100 years and other fixed assets's useful life such as plant and machinery is 5 years.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	1,303,384	1,131,985
Other	29,589	81,180
	<u>1,332,973</u>	<u>1,213,165</u>

Others are donated gold which is valued by Gold Bank London at the balance sheet date. The total addition of £29,589 was recognised as donation income (2021- £81,180).

Donation in kind of the year was not included because of the volunteer time and value cannot be measured reliably.

4 Other trading activities

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Antenna Income	18,000	18,000
	<u>18,000</u>	<u>18,000</u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	1,041	22
	<u>1,041</u>	<u>22</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Other income

	Total Endowment funds	
	2022	2021
	£	£
Coronavirus Job Retention Scheme Grant	-	8,943
	<u> </u>	<u> </u>

7 Raising funds

	Unrestricted funds general 2022	Unrestricted funds general 2021
	£	£
<u>Fundraising and publicity</u>	109,248	92,921
Food cost		
	<u>109,248</u>	<u>92,921</u>

8 Charitable activities

	Charitable activities 2022	Governance costs 2022	Total 2022	Total 2021
	£	£	£	£
Charitable activities	145,575	-	145,575	-
Donation to charities	765	-	765	4,001
	<u>146,340</u>	<u> </u>	<u>146,340</u>	<u>4,001</u>
Share of support costs (see note 9)	714,479	-	714,479	550,638
Share of governance costs (see note 9)	-	18,288	18,288	17,414
	<u>860,819</u>	<u>18,288</u>	<u>879,107</u>	<u>572,053</u>

The donation to charity consists of £135,236 to The Manmeet Singh Bhullar Foundation, a registered charity through the Canadian Revenue Agency, donation of £10,339 to The Sikh Coalition a national organisation based in New York, donation of £465 to Beaconhouse School System through the Pakistan Revenue Agency and donation of £300 made to the Ealing Council.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	108,278	-	108,278	67,282	-	67,282
Depreciation	261,717	-	261,717	260,288	-	260,288
Rent	46,452	-	46,452	14,960	-	14,960
Rates	25,086	-	25,086	14,469	-	14,469
Insurance	25,612	-	25,612	24,916	-	24,916
Light and Heat	27,643	-	27,643	29,278	-	29,278
Cleaning and Casual	40,535	-	40,535	37,771	-	37,771
Repairs and Renewals	76,160	-	76,160	31,040	-	31,040
Motor & Travel expenses	5,587	-	5,587	1,753	-	1,753
Printing, postage and Telecom	4,042	-	4,042	2,110	-	2,110
Interest paid on Loan	87,218	-	87,218	59,187	-	59,187
Bank Charges	6,149	-	6,149	7,584	-	7,584
Audit fees	-	10,886	10,886	-	8,790	8,790
Legal and professional	-	7,402	7,402	-	8,624	8,624
	<u>714,479</u>	<u>18,288</u>	<u>732,767</u>	<u>550,638</u>	<u>17,414</u>	<u>568,052</u>
Analysed between Charitable activities	<u>714,479</u>	<u>18,288</u>	<u>732,767</u>	<u>550,638</u>	<u>17,414</u>	<u>568,052</u>

Governance costs includes gross payments to the auditors of £10,886 (2021- £8,790) for audit fees.

Rent is a cost on renting classroom on daily bases to support education and school meeting activities. There is no lease agreements or commitment signed at 31 December 2022.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Afghan Ekta during the year.

11 Employees

Employment costs	2022 £	2021 £
Wages and salaries	<u>108,278</u>	<u>67,282</u>

Average number of employees in 2022:5 (2021: 4). At the balance sheet date, £2,652 pension contribution was made by employer. There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Other

	Unrestricted funds general 2022 £	Total 2021 £
Financing costs	12,913	-
	<u>12,913</u>	<u>-</u>

13 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of investments	23,295	(1,660)
	<u>23,295</u>	<u>(1,660)</u>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, Motor vehicles fittings & equipment £	£	Total £
Cost					
At 1 January 2022	13,089,892	32,655	142,228	28,850	13,293,625
At 31 December 2022	<u>13,089,892</u>	<u>32,655</u>	<u>142,228</u>	<u>28,850</u>	<u>13,293,625</u>
Depreciation					
At 1 January 2022	1,594,574	28,640	109,810	5,078	1,738,102
Depreciation charged in the year	249,550	745	6,013	5,409	261,717
At 31 December 2022	<u>1,844,124</u>	<u>29,385</u>	<u>115,823</u>	<u>10,487</u>	<u>1,999,819</u>
Carrying amount					
At 31 December 2022	<u>11,245,768</u>	<u>3,270</u>	<u>26,405</u>	<u>18,363</u>	<u>11,293,806</u>
At 31 December 2021	<u>11,495,318</u>	<u>4,015</u>	<u>32,418</u>	<u>23,772</u>	<u>11,555,523</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Stocks		2022 £	2021 £
Finished goods and goods for resale		13,420	9,714
		<u>13,420</u>	<u>9,714</u>
17 Debtors		2022 £	2021 £
Amounts falling due within one year:			
Other debtors		1,259,925	3,031
Prepayments and accrued income		4,919	-
		<u>1,264,844</u>	<u>3,031</u>
<p>Included in other debtors is an amount of £1,248,141 and in respect of property purchase of 'The Sisterhood Hall'. The purchase was completed on 06 January 2023.</p>			
18 Current asset investments		2022 £	2021 £
Donated gold		190,838	137,954
		<u>190,838</u>	<u>137,954</u>
19 Creditors: amounts falling due within one year	Notes	2022 £	2021 £
Bank loans	21	158,186	149,391
Other taxation and social security		1,896	-
Other creditors		99,139	72,563
Accruals		19,517	13,080
		<u>278,738</u>	<u>235,034</u>
20 Creditors: amounts falling due after more than one year	Notes	2022 £	2021 £
Bank loans	21	3,017,107	2,324,786
		<u>3,017,107</u>	<u>2,324,786</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Loans and overdrafts

	2022 £	2021 £
Bank loans	3,175,293	2,474,177
Payable within one year	158,186	149,391
Payable after one year	3,017,107	2,324,786
Amounts included above which fall due after five years:		
Payable by instalments	2,525,020	1,876,613

The long-term loans are secured by fixed charges over Afghan Ekta Cultural/Religious Community Centre's freehold properties.

The bank loans are subject to commercial rates of interest and repayable by monthly instalments of capital and interest for 20 years.

22 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	11,293,806	11,555,523	-	11,555,523
Current assets/(liabilities)	2,024,644	696,565	-	696,565
Long term liabilities	(3,017,107)	(2,324,786)	-	(2,324,786)
	10,301,343	9,927,302	-	9,927,302

23 Related party transactions

There were no disclosable related party transactions during the year (2021- none). No trustee received any remuneration during the year. Other than the trustees, the charity does not consider itself to have any other key management personnel. No expenses were reimbursed to trustees. No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year.

24 Taxation

Afghan Ekta Cultural/Religious Community Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25	Cash generated from operations		2022	2021
			£	£
	Surplus for the year		374,041	573,496
	Adjustments for:			
	Investment income recognised in statement of financial activities		(1,041)	(22)
	Depreciation and impairment of tangible fixed assets		261,717	260,288
	Movements in working capital:			
	(Increase) in stocks		(3,706)	(513)
	(Increase)/decrease in debtors		(1,261,813)	8,869
	Increase/(decrease) in creditors		34,909	(58,205)
	Cash (absorbed by)/generated from operations		(595,893)	783,913
26	Analysis of changes in net (debt)/funds			
		At 1 January	Cash flows	At 31 December
		2022		2022
		£	£	£
	Cash at bank and in hand	780,900	53,380	834,280
	Loans falling due within one year	(149,391)	(8,795)	(158,186)
	Loans falling due after more than one year	(2,324,786)	(692,321)	(3,017,107)
		(1,693,277)	(647,736)	(2,341,013)

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales - Charity number 1088637

Accounts

Charity registration number 1088637

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gurmeet Singh Davinder Singh Prit Popander Singh Kultar Singh Kapoor
Note	A list of committee members is disclosed in trustees' report
Charity number	1088637
Principal address	67-73 King Street Southall Middlesex UB2 4DQ
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	National Westminster Bank Plc - Swanley Branch, Kent HSBC - Hayes Branch Metro - Hayes Branch

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

CONTENTS

	Page
Trustees report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 23

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The object of the Gurudwara is to advance education, provide a place of worship, to promote all aspects of Sikhism and to provide recreational and social welfare for the benefit and well-being of the Community.

The trustees have given due consideration to Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

We aim through our Gurudwara Guru Nanak Darbar and Guru Nanak Dharmik School to provide a first class education to our boys and girls from the age of five to sixteen years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills.

The core objectives and values of the Charity still remain the same and are as follows:

- ~ To advance the education of the public by the improvement and diffusion of knowledge and information about all aspects of Sikhism.
- ~ To promote the social, cultural and educational activities of the Sikh religion, thereby advancing the provision of advice, counselling and instruction relating to the spiritual heritage of Sikhism, the Punjabi language and its customs and traditions.
- ~ To promote the benefits of the Afghan Ekta Society to the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions.
- ~ To associate with those who live within the area of benefit and the local authorities, voluntary and other organisations in a common effort to advance education and to occupations. To generally improve the conditions of life for those who live within this area of benefit.
- ~ To establish, or secure the establishment of a community centre and maintain and manage this establishment in furtherance of the above objectives.
- ~ To remain non-party in politics and non-sectarian in religion.

The principal activity of the Community Centre continues to be that of organising several activities to their full potential and benefiting the Sikh community.

The total membership now stands at around 25,000 to 28,000 and is still increasing. Boys and girls, who are registered to receive education in Punjabi language and Keertan (religious hymns), currently stands at over 2,000. The classes are held throughout the week and from those that are registered, 700 students receive Punjabi language classes at the Featherstone Primary school, hired for Sunday classes. The trustees expressed their satisfaction for the activities being carried out at the Gurudwara.

Free meals continue to be served seven days a week to all, irrespective of colour, caste or creed and the free kitchen is staffed by people on voluntary basis, rest being contributed by the institution. Also, other charity organisations keep using our kitchen occasionally to feed people of all social categories.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

A commitment, for solemn peace and harmony, has been maintained by the continued efforts of the Management Committee, trustees and supported by the congregations. Continuous progress and emphasis is made by the Gurudwara on respect, tolerance to other cultures and cultivating human values in order to lead a good moral life.

Ideologies have been taught and encouragement to receive enlightenment of the Gurus and the learned Scholars who come to give lectures on the Universal brotherhood and tolerance to other ways of life, have been made in the community. It is intended that Sikh youths integrate in the society and cultivate good social and moral values to replace drug or alcohol abuse. It is pleasing to note that the youths are adhering to these values. They have shown great initiative, offering their voluntary assistance in key areas when we have organised religious days. We continue to have open and frank dialogue with them to discuss disadvantages of drug and alcohol abuse and every opportunity is taken to ensure that the law and order of the country is upheld at all cost.

The trustees and the members continue to consolidate its role towards building good interfaith relations. In order to achieve these relations, community members have visited other churches within this area, inviting other members of differing faiths who have enjoyed meeting one another to promote better understanding between the communities. Emphasis to respect and tolerate other cultures, cultivate human values, lead a good moral life and seek peace and harmony is made to all members of the association.

The Trustees have assessed the major risks to which the Afghan Ekta is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains its co-operation and good relations with the Police and other local Government agencies.

The trustees have ensured that Health & Safety and Food & Hygiene regulations remain a priority and have been observed to everyone's satisfaction.

The charity supports active medical camps for the benefit of the elderly and the disabled providing general health checks, advising on blood pressure, diabetes, weight and healthy eating.

The work of the trustees and management committee has been endorsed showing complete trust and confidence in their ability to meet the charities objective and its welfare.

Sikhs continued to visit the Gurudwara from UK and Europe in order to celebrate the anniversary ceremony of the Holy book "the Guru Granth Sahib Ji".

Esteemed members of our society, such as the old and elderly people, continue to receive our respect and every effort is made to listen to their valuable advice. Every facility and assistance of the temple is offered to them.

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Suggestions and constructive plans are always welcome for the improvement of our centre and we review this on regular basis bearing in mind the aims and objectives as laid down by our Constitution.

Financial review

Total reserves including Restricted and Unrestricted funds stand at £9,927,302 at 31 December 2021 (2020: £9,353,806)

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

It is the policy of the Afghan Ekta that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Afghan Ekta's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The trustees are considering to set up a designated fund to ring fence the value of the building

Structure, governance and management

The Afghan Ekta is an unincorporated charity which is governed and operated within the requirement set out in its constitution.

The Trustees who served during the year and the details of management were listed as below.

G Singh
P Singh
K Kapoor

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Trustees:

Mr Gurmeet Singh
Mr Davinder Singh Prit
Mr Popander Singh
Mr Kultar Singh Kapoor

President (Managing the Committee)

Mr Satpal Singh Bindra

General Secretary

Mr Gurmeet Singh Madhan

Treasurer

Mr Armon Singh Maddan

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees responsibilities

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).

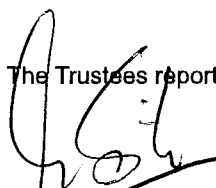
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Afghan Ekta and of the incoming resources and application of resources of the Afghan Ekta for that year.

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

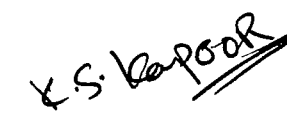
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Afghan Ekta and 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 Afghan Ekta and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees report was approved by the Board of Trustees.



G Singh
Trustee



K Kapoor
Trustee

28 September 2022

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The day to day management of the charity has been delegated by the Trustees to the Executive Committee.

Executive Members

Mr.Manmit Singh
Mr.Sanjit Singh Chawla
Mr.Harminder Singh Gabha
Mr.Rajender Singh Soni
Mr.Papu Singh
Mr.Kulvant Singh
Mr.Gurmeet Singh Nagpal
Mr.Ram Singh
Mr.Paramjit Singh Gabha
Mr.Karamjit Singh Sachdeva
Mr.Bachan Singh Vigg
Mr.Sandeep Singh Arora
Mr.Jaspreet Singh
Mr.Pritpal Singh Bewas
Mr.Kulbeer Singh
Mr.Jasbir Singh Gulati
Mr.Sant Singh Kandusi
Mr.Jetender Singh Chawla
Mr.Ajeet Singh
Mrs.Mena Kaur Kaneja
Mrs.Surjeet Kaur
Mr.Ram Singh Malhotra
Mr.Lal Singh Chadha
Mr.Doulat Singh Kapour
Mrs.Manor Kaur
Mrs.Gaurandar Kaur Poonyani
Mr.Hardit Singh Gurwara
Mr.Jaginder Singh
Mr.Jasbir Singh Sultanpuri
Mrs.Balbir Kaur Bhatia

By the grace of almighty, the charity once again succeeded and maintained the past traditions and celebrated various religious events and programmes, such as Birthdays of Sikh Gurus, Vaisakhi, Bandhi Chorh Diwas, Diwali, Martyrdom days and New Year. The Charity also organised religious lectures, community meetings/debates, meditation and yoga classes. We had elderly and young members of the community who participated in the various religious events organised throughout the year.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Opinion

We have audited the financial statements of Afghan Ekta Cultural/Religious Community Centre (the 'Afghan Ekta') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 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 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; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Afghan Ekta 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 Afghan Ekta'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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, 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 Afghan Ekta'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

We assessed the impact of COVID-19 on the inherent risk of fraud, including potential opportunities for fraud with remote working and government grants.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the Financial Conduct Authority, financial reporting framework, tax regulations in the jurisdictions in which the company operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also 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, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

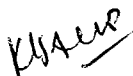
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



KLSA LLP

28 September 2022

**Chartered Accountants
Statutory Auditor**

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Afghan Ekta by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total Unrestricted funds 2021 £	Endowment funds 2020 £	Total 2020 £
Income and endowments from:						
Donations	3	1,213,165	-	1,213,165	682,580	682,580
Charitable activities						
Other trading activities	4	18,000	-	18,000	18,000	18,000
Investments	5	22	-	22	67	67
Other income	6	-	8,943	8,943	-	24,545
Total income and endowments		1,231,187	8,943	1,240,130	700,647	725,192
Expenditure on:						
Raising funds	7	92,921	-	92,921	77,423	77,423
Charitable activities	8	572,053	-	572,053	672,788	672,788
Total expenditure		664,974	-	664,974	750,211	750,211
Net gains/(losses) on investments	12	(1,660)	-	(1,660)	30,637	30,637
Net movement in funds		564,553	8,943	573,496	(18,927)	5,618
Fund balances at 1 January 2021		9,353,806	-	9,353,806	9,348,188	9,348,188
Fund balances at 31 December 2021		9,918,359	8,943	9,927,302	9,329,261	9,353,806

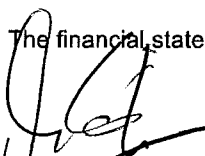
AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		11,555,523		11,760,376
Current assets					
Stocks	14	9,714		9,201	
Debtors	15	3,031		11,900	
Investments	16	137,954		58,433	
Cash at bank and in hand		780,900		553,970	
			931,599		633,504
Creditors: amounts falling due within one year	18	(235,034)		(287,822)	
Net current assets			696,565		345,682
Total assets less current liabilities			12,252,088		12,106,058
Creditors: amounts falling due after more than one year	19		(2,324,786)		(2,752,252)
Net assets			9,927,302		9,353,806
Capital funds					
Endowment funds			8,943		24,545
Income funds					
Unrestricted funds - general			9,918,359		9,329,261
			9,927,302		9,353,806

The financial statements were approved by the Trustees on 28 September 2022


G Singh
Trustee

K Kapoor
Trustee


K.S. Kapoor

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		783,913		121,672
Investing activities					
Purchase of tangible fixed assets		(74,266)		(1,630)	
Proceeds from disposal of investments		(60,690)		368,274	
Investment income received		22		67	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(134,934)		366,711
Financing activities					
Repayment of bank loans		(422,049)		(437,733)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(422,049)		(437,733)
Net increase in cash and cash equivalents			226,930		50,650
Cash and cash equivalents at beginning of year			553,970		503,320
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			780,900		553,970
			<u> </u>		<u> </u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity Information

Afghan Ekta Cultural/Religious Community Centre is a registered charity, registered with the Charity Commission since 27 September 2001.

1.1 Accounting convention

The accounts have been prepared in accordance with the Afghan Ekta's Trustees Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Afghan Ekta is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Afghan Ekta has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Afghan Ekta is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Afghan Ekta has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gold and jewellery donations are measured at fair value. The donated gold and jewellery are valued at balance sheet date by professional gold valuation company and recognised as gold donation income.

Income for trading activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts. All income from trading activities is used for charity purpose.

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

All expenses are included in the financial statements on an accrual basis inclusive of any VAT which cannot be removed and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Support costs

The administrative and overhead costs associated with running the office from which the charity operates as well as governance costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost over their useful lives on the following bases:

Land and buildings	2% Straight Line Method on buildings
Plant and machinery	20% Reducing Balance Method
Fixtures, fittings & equipment	20% Reducing Balance Method
Motor vehicles	25% Reducing Balance Method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Afghan Ekta reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs compared to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are perishable food for free meals served to all visitors, which are stated at cost. The stocks are fast moving items and no provisions for slow moving and obsolete stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Afghan Ekta has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Afghan Ekta's balance sheet when the Afghan Ekta becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Donated gold is initially measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Any transaction costs and valuation fees are expensed as incurred.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Afghan Ekta's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the Afghan Ekta's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Obsolete stocks.

There are on provisions for slow moving and obsolete stocks.

Fixed assets useful lives

Building useful life is estimated as 100 years and other fixed assets's useful life such as plant and machinery is 5 years.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	1,131,985	624,513
Other	81,180	58,067
	<u>1,213,165</u>	<u>682,580</u>

Others are donated gold which is valued by Gold Bank London at the balance sheet date. The total addition of £81,180 was recognised as donation income (2020- £58,067).

Donation in kind of the year was not included because of the volunteer time and value cannot be measured reliably.

4 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Antenna Income	18,000	18,000
	<u>18,000</u>	<u>18,000</u>

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	22	67
	<u>22</u>	<u>67</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Other income

	Endowment funds	Endowment funds
	2021	2020
	£	£
Coronavirus Job Retention Scheme Grant	8,943	14,545
Covid19 - Business support grant	-	10,000
	<u>8,943</u>	<u>24,545</u>

7 Raising funds

	Unrestricted funds general	Unrestricted funds general
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Food cost	92,921	77,423
	<u>92,921</u>	<u>77,423</u>

8 Charitable activities

	Charitable activities 2021	Governance costs 2021	Total 2021	Total 2020
	£	£	£	£
Charitable activities	1	-	1	60,000
Donation to charities	4,000	-	4,000	6,000
	<u>4,001</u>	<u>-</u>	<u>4,001</u>	<u>66,000</u>
Share of support costs (see note 9)	550,638	-	550,638	589,550
Share of governance costs (see note 9)	-	17,414	17,414	17,238
	<u>554,639</u>	<u>17,414</u>	<u>572,053</u>	<u>672,788</u>

The donation to charity consists of £4,000 (2020:£6,000) to Khalsa Diwan Afghanistan a registered charity in UK,

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	67,282	-	67,282	74,373	-	74,373
Depreciation	260,288	-	260,288	253,352	-	253,352
Rent	14,960	-	14,960	12,047	-	12,047
Rates	14,469	-	14,469	27,017	-	27,017
Insurance	24,916	-	24,916	24,035	-	24,035
Light and Heat	29,278	-	29,278	38,985	-	38,985
Cleaning and Casual	37,771	-	37,771	35,759	-	35,759
Repairs and Renewals	31,040	-	31,040	37,982	-	37,982
Motor & Travel expenses	1,753	-	1,753	1,815	-	1,815
Printing, postage and Telecom	2,110	-	2,110	3,419	-	3,419
Interest paid on Loan	59,187	-	59,187	76,408	-	76,408
Bank Charges	7,584	-	7,584	4,358	-	4,358
Audit fees	-	8,790	8,790	-	9,090	9,090
Legal and professional	-	8,624	8,624	-	8,148	8,148
	<u>550,638</u>	<u>17,414</u>	<u>568,052</u>	<u>589,550</u>	<u>17,238</u>	<u>606,788</u>
Analysed between Charitable activities	<u>550,638</u>	<u>17,414</u>	<u>568,052</u>	<u>589,550</u>	<u>17,238</u>	<u>606,788</u>

Governance costs includes gross payments to the auditors of £8,790 (2020- £9,090) for audit fees.

Rent is a cost on renting classroom on daily bases to support education and school meeting activities. There is no lease agreements or commitment signed at 31 December 2021.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Afghan Ekta during the year.

11 Employees

Employment costs	2021	2020
	£	£
Wages and salaries	<u>67,282</u>	<u>74,373</u>

Average number of employees in 2021:4 (2020: 5). At the balance sheet date, £1,753 pension contribution was made by employer. There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	(1,660)	18,769
Gain/(loss) on sale of investments	-	11,868
	<u>(1,660)</u>	<u>30,637</u>

13 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, Motor vehicles fittings & equipment £	£	Total £
Cost					
At 1 January 2021	13,044,970	32,161	142,228	-	13,219,359
Additions	44,922	494	-	28,850	74,266
At 31 December 2021	<u>13,089,892</u>	<u>32,655</u>	<u>142,228</u>	<u>28,850</u>	<u>13,293,625</u>
Depreciation					
At 1 January 2021	1,347,579	27,808	102,427	-	1,477,814
Depreciation charged in the year	246,995	832	7,383	5,078	260,288
At 31 December 2021	<u>1,594,574</u>	<u>28,640</u>	<u>109,810</u>	<u>5,078</u>	<u>1,738,102</u>
Carrying amount					
At 31 December 2021	<u>11,495,318</u>	<u>4,015</u>	<u>32,418</u>	<u>23,772</u>	<u>11,555,523</u>
At 31 December 2020	<u>11,716,219</u>	<u>4,355</u>	<u>39,802</u>	<u>-</u>	<u>11,760,376</u>

14 Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>9,714</u>	<u>9,201</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	3,031	5,400
Prepayments and accrued income	-	6,500
	<u>3,031</u>	<u>11,900</u>

16 Current asset investments

	2021	2020
	£	£
Donated gold	<u>137,954</u>	<u>58,433</u>

17 Loans and overdrafts

	2021	2020
	£	£
Bank loans	<u>2,474,177</u>	<u>2,896,226</u>
Payable within one year	149,391	143,974
Payable after one year	<u>2,324,786</u>	<u>2,752,252</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>1,876,613</u>	<u>2,320,329</u>

The long-term loans are secured by fixed charges over Afghan Ekta Cultural/Religious Community Centre's freehold properties.

The bank loans are subject to commercial rates of interest and repayable by monthly instalments of capital and interest for 20 years.

18 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	17	149,391	143,974
Other creditors		72,563	133,360
Accruals		13,080	10,488
		<u>235,034</u>	<u>287,822</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	17	2,324,786	2,752,252

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	11,555,523	-	11,555,523	11,760,376	-	11,760,376
Current assets/(liabilities)	696,565	-	696,565	345,682	-	345,682
Long term liabilities	(2,324,786)	-	(2,324,786)	(2,752,252)	-	(2,752,252)
	<u>9,927,302</u>	<u>-</u>	<u>9,927,302</u>	<u>9,353,806</u>	<u>-</u>	<u>9,353,806</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2020- none). No trustee received any remuneration during the year. Other than the trustees, the charity does not consider itself to have any other key management personnel. No expenses were reimbursed to trustees. No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year.

22 Taxation

Afghan Ekta Cultural/Religious Community Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

23 Cash generated from operations

	2021 £	2020 £
Surplus for the year	573,496	5,618
Adjustments for:		
Investment income recognised in statement of financial activities	(22)	(67)
Foreign exchange differences	(1,660)	18,769
Gain on disposal of investments	-	(11,868)
Fair value gains and losses on investments	1,660	(18,769)
Depreciation and impairment of tangible fixed assets	260,288	253,352
Movements in working capital:		
(Increase)/decrease in stocks	(513)	7,537
Decrease in debtors	8,869	37,191
(Decrease) in creditors	(58,205)	(170,091)
Cash generated from operations	<u>783,913</u>	<u>121,672</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

24 Analysis of changes in net (debt)/funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	553,970	226,930	780,900
Loans falling due within one year	(143,974)	(5,417)	(149,391)
Loans falling due after more than one year	(2,752,252)	427,466	(2,324,786)
	<u>(2,342,256)</u>	<u>648,979</u>	<u>(1,693,277)</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

England & Wales - Charity number 1088637

Accounts

Charity Registration No. 1088637

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

KLSA
Chartered Accountants

PKF
Member firm of PKF International Ltd

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gurmeet Singh Davinder Singh Prit Popander Singh Kultar Singh Kapoor
Note	A list of committee members is disclosed in trustees' report
Charity number	1088637
Principal address	67-73 King Street Southall Middlesex UB2 4DQ
Auditor	KLSA LLP Kalamu House 11 Coldbath Square London EC1R 5HL
Bankers	National Westminster Bank Plc - Swanley Branch, Kent HSBC - Hayes Branch Metro - Hayes Branch

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

CONTENTS

	Page
Trustees report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 23

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The object of the Gurudwara is to advance education, provide a place of worship, to promote all aspects of Sikhism and to provide recreational and social welfare for the benefit and well-being of the Community.

The trustees have given due consideration to Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

We aim through our Gurudwara Guru Nanak Darbar and Guru Nanak Dharmik School to provide a first class education to our boys and girls from the age of five to sixteen years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills.

The core objectives and values of the Charity still remain the same and are as follows:

- ~ To advance the education of the public by the improvement and diffusion of knowledge and information about all aspects of Sikhism.
- ~ To promote the social, cultural and educational activities of the Sikh religion, thereby advancing the provision of advice, counselling and instruction relating to the spiritual heritage of Sikhism, the Punjabi language and its customs and traditions.
- ~ To promote the benefits of the Afghan Ekta Society to the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions.
- ~ To associate with those who live within the area of benefit and the local authorities, voluntary and other organisations in a common effort to advance education and to occupations. To generally improve the conditions of life for those who live within this area of benefit.
- ~ To establish, or secure the establishment of a community centre and maintain and manage this establishment in furtherance of the above objectives.
- ~ To remain non-party in politics and non-sectarian in religion.

The principal activity of the Community Centre continues to be that of organising several activities to their full potential and benefiting the Sikh community.

The total membership now stands at around 20,000 to 22,000 and is still increasing. Boys and girls, who are registered to receive education in Punjabi language and Keertan (religious hymns), currently stands at over 2,000. The classes are held throughout the week and from those that are registered, 700 students receive Punjabi language classes at the Featherstone Primary school, hired for Sunday classes. The trustees expressed their satisfaction for the activities being carried out at the Gurudwara.

Free meals continue to be served seven days a week to all, irrespective of colour, caste or creed and the free kitchen is staffed by people on voluntary basis, rest being contributed by the institution. Also, other charity organisations keep using our kitchen occasionally to feed people of all social categories.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

A commitment, for solemn peace and harmony, has been maintained by the continued efforts of the Management Committee, trustees and supported by the congregations. Continuous progress and emphasis is made by the Gurudwara on respect, tolerance to other cultures and cultivating human values in order to lead a good moral life.

Ideologies have been taught and encouragement to receive enlightenment of the Gurus and the learned Scholars who come to give lectures on the Universal brotherhood and tolerance to other ways of life, have been made in the community. It is intended that Sikh youths integrate in the society and cultivate good social and moral values to replace drug or alcohol abuse. It is pleasing to note that the youths are adhering to these values. They have shown great initiative, offering their voluntary assistance in key areas when we have organised religious days. We continue to have open and frank dialogue with them to discuss disadvantages of drug and alcohol abuse and every opportunity is taken to ensure that the law and order of the country is upheld at all cost.

The trustees and the members continue to consolidate its role towards building good interfaith relations. In order to achieve these relations, community members have visited other churches within this area, inviting other members of differing faiths who have enjoyed meeting one another to promote better understanding between the communities. Emphasis to respect and tolerate other cultures, cultivate human values, lead a good moral life and seek peace and harmony is made to all members of the association.

The Trustees have assessed the major risks to which the Afghan Ekta is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains its co-operation and good relations with the Police and other local Government agencies.

The trustees have ensured that Health & Safety and Food & Hygiene regulations remain a priority and have been observed to everyone's satisfaction.

The charity supports active medical camps for the benefit of the elderly and the disabled providing general health checks, advising on blood pressure, diabetes, weight and healthy eating.

The work of the trustees and management committee has been endorsed showing complete trust and confidence in their ability to meet the charities objective and its welfare.

Sikhs continued to visit the Gurudwara from UK and Europe in order to celebrate the anniversary ceremony of the Holy book "the Guru Granth Sahib Ji".

Esteemed members of our society, such as the old and elderly people, continue to receive our respect and every effort is made to listen to their valuable advice. Every facility and assistance of the temple is offered to them.

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Suggestions and constructive plans are always welcome for the improvement of our centre and we review this on regular basis bearing in mind the aims and objectives as laid down by our Constitution.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Total reserves including Restricted and Unrestricted funds stand at £9,353,806 at 31 December 2020 (2019: £9,348,188)

It is the policy of the Afghan Ekta that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Afghan Ekta's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The trustees are considering to set up a designated fund to ring fence the value of the building

Structure, governance and management

The Afghan Ekta is an unincorporated charity which is governed and operated within the requirement set out in its constitution.

The Trustees who served during the year and the details of management were listed as below.

G Singh

P Singh

The community members have shown their full trust and confidence in the new management committee and trustees. The appointment of the new members has been based on the age, good character, experience and skills of each individual for the betterment of the community and the charity.

Trustees:

Mr Gurmeet Singh

Mr Davinder Singh Prit

Mr Popander Singh

Mr Kultar Singh Kapoor

President (Managing the Committee)

Mr Satpal Singh Bindra

General Secretary

Mr Gurmeet Singh Madhan

Treasurer

Mr Armon Singh Maddan

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The day to day management of the charity has been delegated by the Trustees to the Executive Committee.

Executive Members

Mr.Manmit Singh
Mr.Sanjit Singh Chawla
Mr.Amarjeet Singh Khurana
Mr.Harminder Singh Gabha
Mr.Rajender Singh Soni
Mr.Papu Singh
Mr.Kulvant Singh
Mr.Gurmeet Singh Nagpal
Mr.Ram Singh
Mr.Paramjit Singh Gabha
Mr.Karamjit Singh Sachdeva
Mr.Bachan Singh Vigg
Mr.Sandeep Singh Arora
Mr.Jaspreet Singh
Mr.Pritpal Singh Bewas
Mr.Kulbeer Singh
Mr.Jasbir Singh Gulati
Mr.Sant Singh Kandusi
Mr.Narinder Singh Kapoor
Mr.Jetender Singh Chawla
Mr.Ajeet Singh
Mr.Mena Kaur Kaneja
Mr.Surjeet Kaur
Mr.Ram Singh Malhotra
Mr.Lal Singh Chadha
Mr.Doulat Singh Kapour
Mr.Manor Kaur
Mr.Gaurandar Kaur Poonyani
Mr.Hardit Singh Gurwara
Mr.Jaginder Singh
Mr.Jasbir Singh Sultanpuri
Mr.Balbir Kaur Bhatia

By the grace of almighty, the charity once again succeeded and maintained the past traditions and celebrated various religious events and programmes, such as Birthdays of Sikh Gurus, Vaisakhi, Bandhi Chorh Diwas, Diwali, Martyrdom days and New Year. The Charity also organised religious lectures, community meetings/ debates, meditation and yoga classes. We had elderly and young members of the community who participated in the various religious events organised throughout the year.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees responsibilities

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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Afghan Ekta and of the incoming resources and application of resources of the Afghan Ekta for that year.

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 Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Afghan Ekta and 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 Afghan Ekta and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees report was approved by the Board of Trustees.


G Singh
Trustee

Dated: 8 October 2021


P Singh
Trustee

Dated: 8 October 2021

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Opinion

We have audited the financial statements of Afghan Ekta Cultural/Religious Community Centre (the 'Afghan Ekta') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 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 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Afghan Ekta 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 Afghan Ekta'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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 Afghan Ekta'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence,
- capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

We assessed the impact of COVID-19 on the inherent risk of fraud, including potential opportunities for fraud with remote working and government grants.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the Financial Conduct Authority, financial reporting framework, tax regulations in the jurisdictions in which the company operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

We communicated identified fraud risks and non-compliance with laws and regulations with those charged with governance, throughout the audit team and remained alert to any indications throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also 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, misrepresentations or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ketan Shah (Senior Statutory Auditor)
for and on behalf of KLSA LLP

8 October 2021

Chartered Accountants
Statutory Auditor

Kalamu House
11 Coldbath Square
London
EC1R 5HL

KLSA LLP is eligible for appointment as auditor of the Afghan Ekta by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
<u>Income and endowments from:</u>					
Donations	3	682,580	-	682,580	1,118,250
<u>Charitable activities</u>					
Other trading activities	4	18,000	-	18,000	18,000
Investments	5	67	-	67	146
Other income	6	-	24,545	24,545	-
Total income and endowments		700,647	24,545	725,192	1,136,396
<u>Expenditure on:</u>					
Raising funds	7	77,423	-	77,423	146,467
Charitable activities	8	672,788	-	672,788	781,681
Total resources expended		750,211	-	750,211	928,148
Net gains/(losses) on investments	12	30,637	-	30,637	31,051
Net movement in funds		(18,927)	24,545	5,618	239,299
Fund balances at 1 January 2020		9,348,188	-	9,348,188	9,108,889
Fund balances at 31 December 2020		9,329,261	24,545	9,353,806	9,348,188

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		11,760,376		12,012,098
Current assets					
Stocks	14	9,201		16,738	
Debtors	15	11,900		49,091	
Investments	16	58,433		414,839	
Cash at bank and in hand		553,970		503,320	
			633,504		983,988
Creditors: amounts falling due within one year	18	(287,822)		(440,904)	
Net current assets			345,682		543,084
Total assets less current liabilities			12,106,058		12,555,182
Creditors: amounts falling due after more than one year	19		(2,752,252)		(3,206,994)
Net assets			9,353,806		9,348,188
Capital funds					
Endowment funds			24,545		-
Income funds					
Unrestricted funds - general			9,329,261		9,348,188
			9,353,806		9,348,188

The financial statements were approved by the Trustees on 8 October 2021


G Singh
Trustee


P Singh
Trustee

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	23		121,672		500,966
Investing activities					
Purchase of tangible fixed assets		(1,630)		(244,782)	
Proceeds on disposal of investments		368,274		(73,082)	
Investment income received		67		146	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			366,711		(317,718)
Financing activities					
Repayment of bank loans		(437,733)		45,017	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from financing activities			(437,733)		45,017
Net increase in cash and cash equivalents			50,650		228,265
Cash and cash equivalents at beginning of year			503,320		275,055
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>553,970</u>		<u>503,320</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Afghan Ekta Cultural/Religious Community Centre is a registered charity, registered with the Charity Commission since 27 September 2001.

1.1 Accounting convention

The accounts have been prepared in accordance with the Afghan Ekta's Trustees Constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Afghan Ekta is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Afghan Ekta has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Afghan Ekta is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Afghan Ekta has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gold and jewellery donations are measured at fair value. The donated gold and jewellery are valued at balance sheet date by professional gold valuation company and recognised as gold donation income.

Income for trading activities is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts. All income from trading activities is used for charity purpose.

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably, which is normally upon notification of the interest paid or payable by the bank.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

All expenses are included in the financial statements on an accrual basis inclusive of any VAT which cannot be removed and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Support costs

The administrative and overhead costs associated with running the office from which the charity operates as well as governance costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost over their useful lives on the following bases:

Land and buildings	2% Straight Line Method on buildings
Plant and machinery	20% Reducing Balance Method
Fixtures, fittings & equipment	20% Reducing Balance Method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Afghan Ekta reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs compared to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are perishable food for free meals served to all visitors, which are stated at cost. The stocks are fast moving items and no provisions for slow moving and obsolete stocks.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial Instruments

The Afghan Ekta has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Afghan Ekta's balance sheet when the Afghan Ekta becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Donated gold is initially measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Any transaction costs and valuation fees are expensed as incurred.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Afghan Ekta's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the Afghan Ekta's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Obsolete stocks.

There are on provisions for slow moving and obsolete stocks.

Fixed assets useful lives

Building useful life is estimated as 100 years and other fixed assets's useful life such as plant and machinery is 5 years.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Donations and gifts	624,513	1,076,219
Other	58,067	42,031

Others are donated gold which is valued by Gold Bank London at the balance sheet date. The total addition of £58,067 was recognised as donation income (2019- £42,031).

Donation in kind of the year was not included because of the volunteer time and value cannot be measured reliably.

4 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Antenna Income	18,000	18,000

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	67	146

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Other income

	Endowment funds	Total
	2020	2019
	£	£
Coronavirus Job Retention Scheme Grant	14,545	-
Covid19 - Business support grant	10,000	-
	<u>24,545</u>	<u>-</u>

7 Raising funds

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
<u>Fundraising and publicity</u>		
Food cost	77,423	146,467
	<u>77,423</u>	<u>146,467</u>

8 Charitable activities

	Charitable activities 2020 £	Governance costs 2020 £	Total 2020 £	Total 2019 £
Charitable activities	60,000	-	60,000	-
Donation to charities	6,000	-	6,000	7,937
	<u>66,000</u>	<u>-</u>	<u>66,000</u>	<u>7,937</u>
Share of support costs (see note 9)	589,550	-	589,550	721,527
Share of governance costs (see note 9)	-	17,238	17,238	52,217
	<u>655,550</u>	<u>17,238</u>	<u>672,788</u>	<u>781,681</u>

The donation to charity consists of £6,000 to Khalsa Diwan Afghanistan a registered charity in UK, £Nil (2019:£7,937) to Guru Nanak Darbar, a registered charity in UK and £60,000 The Manmeet Singh Bhullar Foundation, a registered charity through the Canadian Revenue Agency.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	74,373	-	74,373	80,939	-	80,939
Depreciation	253,352	-	253,352	255,704	-	255,704
Rent	12,047	-	12,047	58,644	-	58,644
Rates	27,017	-	27,017	15,307	-	15,307
Insurance	24,035	-	24,035	23,227	-	23,227
Light and Heat	38,985	-	38,985	13,286	-	13,286
Cleaning and Casual	35,759	-	35,759	44,703	-	44,703
Repairs and Renewals	37,982	-	37,982	48,859	-	48,859
Motor & Travel expenses	1,815	-	1,815	4,290	-	4,290
Printing, postage and Telecom	3,419	-	3,419	9,683	-	9,683
Interest paid on Loan	76,408	-	76,408	123,820	-	123,820
Bank Charges	4,358	-	4,358	43,065	-	43,065
Audit fees	-	9,090	9,090	-	9,600	9,600
Legal and professional	-	8,148	8,148	-	42,617	42,617
	<u>589,550</u>	<u>17,238</u>	<u>606,788</u>	<u>721,527</u>	<u>52,217</u>	<u>773,744</u>
Analysed between						
Charitable activities	<u>589,550</u>	<u>17,238</u>	<u>606,788</u>	<u>721,527</u>	<u>52,217</u>	<u>773,744</u>

Governance costs includes gross payments to the auditors of £9,090 (2019- £9,600) for audit fees.

Rent is a cost on renting classroom on daily bases to support education and school meeting activities. There is no lease agreements or commitment signed at 31 December 2020.

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Afghan Ekta during the year.

11 Employees

Employment costs	2020	2019
	£	£
Wages and salaries	<u>74,373</u>	<u>80,939</u>

Average number of employees in 2020:5 (2019: 6). At the balance sheet date, £2,007 pension contribution was made by employer. There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Net gains/(losses) on investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Revaluation of investments	18,769	31,051
Gain/(loss) on sale of investments	11,868	-
	<u>30,637</u>	<u>31,051</u>

13 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2020	13,063,798	30,532	142,228	13,236,558
Additions	-	1,630	-	1,630
At 31 December 2020	<u>13,063,798</u>	<u>32,162</u>	<u>142,228</u>	<u>13,238,188</u>
Depreciation				
At 1 January 2020	1,105,266	26,719	92,476	1,224,461
Depreciation charged in the year	242,313	1,088	9,950	253,351
At 31 December 2020	<u>1,347,579</u>	<u>27,807</u>	<u>102,426</u>	<u>1,477,812</u>
Carrying amount				
At 31 December 2020	<u>11,716,219</u>	<u>4,355</u>	<u>39,802</u>	<u>11,760,376</u>
At 31 December 2019	<u>11,958,532</u>	<u>3,813</u>	<u>49,753</u>	<u>12,012,098</u>

14 Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>9,201</u>	<u>16,738</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Debtors		2020	2019
		£	£
Amounts falling due within one year:			
Other debtors		5,400	42,591
Prepayments and accrued income		6,500	6,500
		<u>11,900</u>	<u>49,091</u>
16 Current asset investments		2020	2019
		£	£
Donated gold		58,433	414,839
		<u>58,433</u>	<u>414,839</u>
17 Loans and overdrafts		2020	2019
		£	£
Bank loans		2,896,226	3,333,959
		<u>2,896,226</u>	<u>3,333,959</u>
Payable within one year		143,974	126,965
Payable after one year		2,752,252	3,206,994
		<u>2,896,226</u>	<u>3,206,994</u>
Amounts included above which fall due after five years:			
Payable by instalments		2,320,329	2,826,099
		<u>2,320,329</u>	<u>2,826,099</u>
<p>The long-term loans are secured by fixed charges over Afghan Ekta Cultural/Religious Community Centre's freehold properties.</p> <p>The bank loans are subject to commercial rates of interest and repayable by monthly instalments of capital and interest for 20 years.</p>			
18 Creditors: amounts falling due within one year		2020	2019
	Notes	£	£
Bank loans	17	143,974	126,965
Other creditors		133,360	228,555
Accruals		10,488	85,384
		<u>287,822</u>	<u>440,904</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	17	2,752,252	3,206,994

20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	11,760,376	-	11,760,376	12,012,098
Current assets/(liabilities)	345,682	-	345,682	543,084
Long term liabilities	(2,752,252)	-	(2,752,252)	(3,206,994)
	<u>9,353,806</u>	<u>-</u>	<u>9,353,806</u>	<u>9,348,188</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2019- none). No trustee received any remuneration during the year. Other than the trustees, the charity does not consider itself to have any other key management personnel. No expenses were reimbursed to trustees. No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year.

22 Taxation

Afghan Ekta Cultural/Religious Community Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

23 Cash generated from operations

	2020 £	2019 £
Surplus for the year	5,618	239,299
Adjustments for:		
Investment income recognised in statement of financial activities	(67)	(146)
Foreign exchange differences	18,769	31,051
Gain on disposal of investments	(11,868)	-
Fair value gains and losses on investments	(18,769)	(31,051)
Depreciation and impairment of tangible fixed assets	253,352	255,704
Movements in working capital:		
Decrease in stocks	7,537	262
Decrease/(increase) in debtors	37,191	(49,091)
(Decrease)/increase in creditors	(170,091)	54,938
Cash generated from operations	<u>121,672</u>	<u>500,966</u>

AFGHAN EKTA CULTURAL/RELIGIOUS COMMUNITY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of changes in net (debt)/funds

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	503,320	50,650	553,970
Loans falling due within one year	(126,965)	(17,009)	(143,974)
Loans falling due after more than one year	(3,206,994)	454,742	(2,752,252)
	<u>(2,830,639)</u>	<u>488,383</u>	<u>(2,342,256)</u>