

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021

Charity Number 1092114

ROBIN DILLAMORE LTD
Chartered Accountants
and Business Advisers
The Melbourne Centre, Melbourne Road
Blacon, Chester CH1 5JQ

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charity registered number | 1092114 |
| Governing instrument | Declaration of Trust dated 27 June 2001 |
| Trustees | A P Chaudhary S P V Chaudhary W T O'Leary M L Taplin J P Wilkinson I P O'Leary S Horsley |
| Principal address | c/o S S Chaudhary 19 Forster Close Heather View Newton Aycliffe Co Durham DL5 4XL |
| Independent examiner | Anna C R Benjumea Robin Dillamore Ltd Chartered Accountants The Melbourne Centre Melbourne Road, Blacon Chester CH1 5JQ |
| UK bankers | Barclays Bank plc 31 High Row Darlington Co Durham State Bank of India Manchester Branch Carlton House 18 Albert Square Manchester M2 5PE |

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Charitable objects

The Objects of the Charity are to proclaim and further the Gospel of God concerning His Son Jesus Christ our Lord and the preaching and teaching of the Word of God consistently with its Doctrines and in furtherance of those objects to: -

- a) Provide Christian education consistent with the Doctrines in the Home [The David Chaudhary Ministries Children's Home, at Gajjaram] and in any other children's home which the Trustees may wish to set up or support.
- b) Provide from the income of the Trust Fund financial support for the running of the Home including specifically but not exclusively the payment of the cost of accommodation, education, medical needs and any other maintenance of the children living in the Home and the wages, accommodation and medical needs of the staff at the discretion of the Trustees.

Organisational structure

The names of the Trustees and other legal information are shown on page 1 of these accounts. The trustees are responsible for:

- The appointment of new trustees, being persons who are well known to them and are of proven integrity and financial ability, and who are wholly in sympathy with the objects of the Trust.
- Approving any new ventures.
- Any remuneration of key personnel is reviewed by the trustees and any approvals are agreed upon without connected individuals being present.
- Approving any significant donation from the charity.

Previously the trustees had previously delegated all aspects of the day-to-day management as the responsibility of the ministry founders both of whom are now deceased—Mrs Sushila Chaudhary passing away during the year under review. These day-to-day responsibilities now rest with Aaron and Stephen Chaudhary.

Trustees Training.

The Trustees are experienced having served on the board for many years—several since this charity was established as well as on the board of other charities. They have had no specific training with this charity but keep up to date with the Trustee's role and responsibilities under Charity Law.

Public benefit

The charity Trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The Charity's activities are for the public benefit in that grants payable are made to works which eradicate poverty and ignorance, and payments to support the ministry of evangelists and Bible teachers are made to those who make no charge for their services and are dependent upon public subscription to enable them to minister.

Related parties

Three of the Trustees (A Chaudhary, M Taplin and W O'Leary) are also on the Board of Trustees of the David Chaudhary Ministries Fund (Registered Charity 326436).

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Review of activities and achievements

Sadly, during the year under review, Mrs Sushila Chaudhary, joint founder of David Chaudhary Ministries Children's Home, passed away on the 15th April 2020 after a period of poor health. This took place under the shadow of the COVID-19 global pandemic with all the restrictions mandated at the time.

The global pandemic severely restricted travel and during the year under review there were none of the usual visits to the Children's Home in India normally taken by Stephen Chaudhary (trustee) and his wife Lesley.

In response to the pandemic the Indian government made the decision to have all non-government children's homes temporarily closed. This meant the closure of the children's home and the school support located on the compound; most significantly, it meant that the children residing at the home were to return to their families and guardians. The staff responded to the challenge of these unprecedented times by staying in touch with the children and making regular visits to their villages to reassure family members and guardians that the children's home would reopen as soon as it was allowed to do so. The temptation is often for children to become involved in some form of child labour to generate income for the families. This work was demanding and time consuming but ultimately well worth the effort and we are very grateful for the genuine care and concern demonstrated by the children's home management and staff.

At the same time the dedicated staff had to ensure the security of the children's home buildings and property while empty and unused. The staff continued to receive their salaries, however, some chose to move on to other work and the vacancies have since been filled. The trustees are very pleased that during this season the affairs of the home were well managed and the day-to-day operations ran smoothly.

With the exception of the period of closure, the children's home runs a school providing education for five classes of lower and upper kindergarten aged children, the pupils are made up of the younger children from the Home as well as children from the local village. The classes are well attended and the children are customarily disciplined and well behaved, and the teaching is of a good standard. Relationships with the local community, schools and colleges is good.

The children's home and the school provide employment for 12 individuals including the management committee, key staff members, teaching staff, auxiliary staff including cook, assistant, and domestic worker, and watchman. The children's home workers who come from other areas are provided with on-site accommodation while the teachers tend to live locally and commute. Two ladies on staff were former residents of the children's home, this is especially satisfying.

Due to the restrictions in travelling in recent times there had been a decline in individual supporters—understandably in some ways as the vision needs to be shared regularly to maintain levels of interest. The charity therefore made the decision to purchase an additional investment property to guarantee the long-term income. The trustees are confident that the income from the rental properties will ensure the objectives of the charity can be carried out in the medium to long term.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

In the year to 31st March 2021 the costs of running the children's home and the school were £18,270. This is less than the previous year due to the temporary closure of the children's home and reduced capital expenditure.

Reserves

Reserves at 31st March 2021 were £868,746. In view of the need to provide security of accommodation, education and maintenance of the children from infancy to departure at adulthood and into further education it is intended to maintain reserves at the level needed to cover support and running costs for 15 years. A capital fund was set up to maintain those reserves, which is represented by investments valued at £631,214.

Investment powers, policy and performance

A proportion of funds is maintained on deposit, but the majority of the investments, presently £631,214, consists of freehold property let residentially in the UK.

Grant making policy

The Charity, at their discretion and in accordance with their objectives makes grants to trusted individuals and organisations whose purpose aligns with those of the charity.

Governance and Internal control

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems established to mitigate those risks. Detailed returns are required from the Children's Home, and the Founders and other Trustees have made frequent visits to the Home to verify it is properly run and that the building work is of an acceptable standard, and the funds transmitted to the local charity have been correctly applied and have also provided personal assistance in securing places for children in further education.

Plans for the Future

Our mission and goals for the future remain consistent with our objectives, i.e. to communicate the Gospel of Jesus Christ, to provide financial support for the children's home in Gajjaram, India and other children's homes the trustees may wish to support, and to provide education for the children's home and assist those involved in Christian ministry with the provision of children's education.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the year end and of its incoming resources and resources expended during that year. In preparing these financial statements, the trustees are required to:

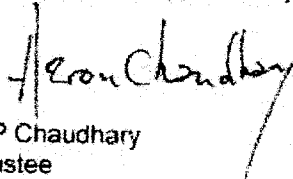
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

The charity's independent examiner is Anna Benjumea of Robin Dillamore Ltd, Chartered Accountants and Business Advisers.

This report was approved by the trustees on 21.1.2022 and is signed on their behalf by:



A P Chaudhary
Trustee

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES

We report on the financial statements of the trust for the year ended 31 March 2021, which are set out on pages 7 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, I have reasonable cause to believe that

(1) in all material respects the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act and with the methods and principles of the SORP;

have been met; and

(2) there are no material matters to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Anna Benjumea

Anna C R Benjumea ACA

The Melbourne Centre, Melbourne Road, Blacon, Chester CH1 5JQ

Date: *25th January* 2022

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2021

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Totals 2021 £ | Totals 2020 £ |
|--------------------------------------------------|------|----------------------------|--------------------------|---------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 30,688 | - | 30,688 | 38,644 |
| Income from Investments | 3 | 31,581 | - | 31,581 | 15,497 |
| TOTAL INCOME AND ENDOWMENTS | | <u>62,269</u> | <u>-</u> | <u>62,269</u> | <u>54,141</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Grants payable | 4 | 2,600 | - | 2,600 | 16,700 |
| Costs of activities | 5 | 18,270 | - | 18,270 | 30,482 |
| Support costs | 6 | 7,143 | - | 7,143 | 11,473 |
| TOTAL EXPENDITURE | | <u>28,013</u> | <u>-</u> | <u>28,013</u> | <u>58,655</u> |
| NET INCOME/(EXPENDITURE) FOR THE YEAR | | 34,256 | - | 34,256 | (4,514) |
| Transfer of funds | | - | - | - | - |
| Other recognised gains / (losses) | | | | | |
| Other gains / (losses) | | - | - | - | - |
| Net movement in funds for the year | | 34,256 | - | 34,256 | (4,514) |
| Balances brought forward | | 834,490 | - | 834,490 | 839,004 |
| Balances carried forward | | <u>868,746</u> | <u>-</u> | <u>868,746</u> | <u>834,490</u> |

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 9 to 17 form part of these financial statements.

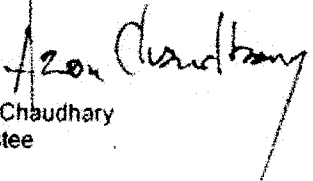
THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

BALANCE SHEET

31 MARCH 2021

| | Note | £ | 2021 £ | £ | 2020 £ |
|-------------------------------------------------------|------|---------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 159,710 | | 163,853 |
| Investments | 9 | | 631,214 | | 546,333 |
| | | | <u>790,924</u> | | <u>710,186</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 16,201 | | 12,679 | |
| Cash at bank and in hand | | <u>63,695</u> | | <u>113,613</u> | |
| | | | 79,896 | | 126,292 |
| CREDITORS: amounts falling due within one year | 11 | (2,074) | | (1,988) | |
| NET CURRENT ASSETS | | | <u>77,822</u> | | <u>124,304</u> |
| NET ASSETS | | | <u>868,746</u> | | <u>834,490</u> |
| FUNDS | | | | | |
| Unrestricted funds | | | | | |
| Designated funds | 12 | | 631,214 | | 546,333 |
| General reserve | 12 | | 237,532 | | 288,157 |
| TOTAL FUNDS | 12 | | <u>868,746</u> | | <u>834,490</u> |

These financial statements were approved by the trustees on 21.1.2022 and are signed on their behalf by:


A P Chaudhary
Trustee

The notes on pages 9 to 17 form part of these financial statements.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Charities Act 2011 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities (FRS 102)".

Fund accounting

Unrestricted funds are general funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

Income and endowments

All income and endowments are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

No amounts are included in the financial statements for services donated by volunteers.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES (continued)

Foreign exchange gains and losses

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the average rate during the accounting period. All differences are taken to the SOFA.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Assets are capitalised where they can be used for more than one year and cost over £100.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Long leasehold – 2% straight line

Other fixed assets – 20% straight line

Investments

Fixed asset investments are stated at the trustees' best estimate of the market value as at the year-end date. A valuation by an independent expert has not been carried out.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

| | 2021 £ | 2020 £ |
|------------------------|---------------|---------------|
| Unrestricted donations | 30,688 | 38,644 |
| Restricted donations | - | - |
| | <u>30,688</u> | <u>38,644</u> |

The donations above are shown inclusive of the corresponding amounts of Gift Aid tax reclaimable.

3. INVESTMENT INCOME

| | 2021 £ | 2020 £ |
|---------------------------------------|---------------|---------------|
| Income from investment properties | 34,243 | 24,258 |
| Less Expenses | (2,662) | (8,761) |
| | <u>31,581</u> | <u>15,497</u> |
| Net income from investment properties | 31,581 | 15,497 |
| Bank interest receivable | - | - |
| | <u>31,581</u> | <u>15,497</u> |

4. GRANTS PAYABLE

| | 2021 £ | 2020 £ |
|----------------------------------|--------------|---------------|
| Grants to other NGOs | - | 600 |
| Grants payable to UK individuals | 2,600 | 15,600 |
| Pastor and widows support | - | - |
| School and education fees | - | 500 |
| | <u>2,600</u> | <u>16,700</u> |

5. CHARITABLE ACTIVITIES

| | 2021 £ | 2020 £ |
|--------------------------------------|---------------|---------------|
| Running costs of the children's home | 18,270 | 30,482 |
| | <u>18,270</u> | <u>30,482</u> |

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

6. SUPPORT COSTS

| | 2021 £ | 2020 £ |
|-------------------------------|--------------|---------------|
| Travel expenses | 29 | 4,752 |
| PPS | 991 | 533 |
| Depreciation | 4,143 | 4,143 |
| Bank charges | - | 180 |
| Insurance | 616 | 487 |
| HMRC fine | - | - |
| Trustees' indemnity insurance | 313 | 297 |
| Trustees' meeting expenses | - | 246 |
| Accountancy | 85 | - |
| Telephone and internet | 291 | - |
| Independent examiner's fees | 675 | 835 |
| | <u>7,143</u> | <u>11,473</u> |

7. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

No remuneration was paid to the trustees for their services as trustees. The trustees were reimbursed for expenses of £239 during the year (2020 - £246). The trustees donated a total amount of £600 during the year to the charity (2020 - £460).

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

8. FIXED ASSETS

| | Motor vehicles £ | Office equipment £ | Long Leasehold £ | TOTAL £ |
|--------------------------|---------------------|--------------------------|------------------------|------------|
| Cost or valuation | | | | |
| As at 1 April 2020 | 1,222 | 2,339 | 192,521 | 196,082 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| As at 31 March 2021 | 1,222 | 2,339 | 192,521 | 196,082 |
| Depreciation | | | | |
| As at 1 April 2020 | 1,222 | 1,169 | 29,838 | 32,229 |
| Charge for the year | - | 293 | 3,850 | 4,143 |
| Disposals | - | - | - | - |
| As at 31 March 2021 | 1,222 | 1,462 | 33,688 | 36,372 |
| Net book values | | | | |
| As at 31 March 2021 | - | 877 | 158,833 | 159,710 |
| As at 31 March 2020 | - | 1,170 | 162,683 | 163,853 |

9. FIXED ASSET INVESTMENTS

| | Freehold property £ | Total £ |
|---------------------------|------------------------|------------|
| Cost / Revaluation | | |
| At 1 April 2020 | 546,333 | 546,333 |
| Additions | 84,881 | 84,881 |
| At 31 March 2021 | 631,214 | 631,214 |
| Net book value | | |
| At 1 April 2020 | 546,333 | 546,333 |
| At 31 March 2021 | 631,214 | 631,214 |

The properties are held in the UK and consist of five modern residential letting properties. These investments are all to provide an income return for the Charity.

These have not been formally re-valued, but in the opinion of the Trustees their market value is in the region of £631,214 at the balance sheet date.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

10. DEBTORS

| | 2021 £ | 2020 £ |
|------------------------|---------------|---------------|
| Income tax recoverable | 15,666 | 12,166 |
| Prepayments | 535 | 513 |
| | <u>16,201</u> | <u>12,679</u> |

11. CREDITORS: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|--------------|--------------|
| Accruals and deferred income | 1,105 | 1,019 |
| Obligation under rent bond | 969 | 969 |
| | <u>2,074</u> | <u>1,988</u> |

12. STATEMENT OF FUNDS

| | At 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 March 2021 £ |
|--------------------------------|----------------------------|---------------|------------------|----------------|--------------------------|-----------------------------|
| Unrestricted funds | | | | | | |
| General reserves | 288,157 | 62,269 | (28,013) | (84,881) | - | 237,532 |
| Designated fund (Capital fund) | 546,333 | - | - | 84,881 | - | 631,214 |
| Restricted funds | | | | | | |
| Total restricted | - | - | - | - | - | - |
| Total funds | <u>834,490</u> | <u>62,269</u> | <u>(28,013)</u> | <u>-</u> | <u>-</u> | <u>868,746</u> |

The general reserves are the free funds of the charity which are not designated for particular purposes. As stated in the Trustees' Report, a capital fund has been set up to provide security of accommodation for at least fifteen years (previously twelve), based on the current level of support, which in the year to 31st March 2021 was £18,270 (2020 - £30,482). The income of this fund is regarded as part of the general funds of the Trust and is applied against the support of children and the expenses of the children's homes.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Designated funds £ | General funds £ | Total Unrestricted funds £ |
|---------------------------------------------------------------|--------------------------|-----------------------|-------------------------------------|
| Fund balances at 31 March 2021 represented by: | | | |
| Fixed assets | - | 159,710 | 159,710 |
| Fixed asset investments | 631,214 | - | 631,214 |
| Current assets | - | 79,896 | 79,896 |
| Current liabilities | - | (2,074) | (2,074) |
| | <u>631,214</u> | <u>237,532</u> | <u>868,746</u> |

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

14. INDEMNITY INSURANCE

As permitted by the Trust Deed, the charity paid for the insurance premiums to indemnify Trustees from any loss arising from neglect or defaults of Trustees and any consequent loss.

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

15. STATEMENT OF CASH FLOWS

| | 2021 £ | 2020 £ | Note |
|---------------------------------------------------------------------|-----------------|-----------|-----------|
| Cash flows from operating activities: | | | |
| Net cash provided by (used in) operating activities | 34,963 | (626) | (Note 16) |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | - | - | |
| Proceeds from the sale of property, plant and equipment | - | - | |
| Purchase of property, plant and equipment | - | (1,463) | |
| Proceeds from sale of investments | - | - | |
| Purchase of investments | (84,881) | (140,000) | |
| Net cash provided by (used in) investing activities | (84,881) | (141,463) | |
| Cash flows from financing activities: | | | |
| Repayments of borrowing | - | - | |
| Cash inflows from new borrowing | - | - | |
| Receipt of endowment | - | - | |
| Net cash provided by (used in) financing activities | - | - | |
| Change in cash and cash equivalents in the reporting period | (49,918) | (142,089) | |
| Cash and cash equivalents at the beginning of the reporting period | 113,613 | 255,702 | (Note 17) |
| Change in cash and cash equivalents due to exchange rate movements | - | - | |
| Cash and cash equivalents at the end of the reporting period | 63,695 | 113,613 | (Note 17) |

THE DAVID CHAUDHARY MINISTRIES CHILDREN'S HOME TRUST
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

16. RECONCILIATION OF NET INCOME/(EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2021 £ | 2020 £ |
|---------------------------------------------------------------------------------------------------------|----------------------|---------------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 34,256 | (4,514) |
| Adjustments for: | | |
| Depreciation charges | 4,143 | 4,143 |
| (Gains)/losses on investments | - | - |
| Loss/(profit) on the sale of fixed assets | - | - |
| (Increase)/decrease in stocks | - | - |
| (Increase)/decrease in debtors | (3,522) | (264) |
| Increase/(decrease) in creditors | 86 | 9 |
| Net cash provided by (used in) operating activities | <u>34,963</u> | <u>(626)</u> |

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2021 £ | 2020 £ |
|----------------------------------------|----------------------|-----------------------|
| Cash in hand | 63,695 | 113,613 |
| Notice deposits (less than 3 months) | - | - |
| Overdraft facility repayable on demand | - | - |
| Total cash and cash equivalents | <u>63,695</u> | <u>113,613</u> |