

Your Company Name and/or Letter Head

BUSINESS ADVISORS • CHARTERED ACCOUNTANTS • REGISTERED AUDITORS

23 March 2022

629-631 STRATFORD ROAD
SPARKHILL
BIRMINGHAM
B11 4AN
GURU NANAK GURDWARA SOUTH BIRMINGHAM

Dear ,

Accounts for Period ended 30/04/2021

Please find attached final accounts for GURU NANAK GURDWARA SOUTH BIRMINGHAM for the period ended 30/04/2021 [including filleted/abbreviated accounts if appropriate].

Please review the attached carefully and if you are happy that the accounts can be approved please print out a set of each of the attached documents, obtain appropriate signatures at the foot of each Balance Sheet [and Directors Report, if relevant] and return the signed documents to this office.

Please do not hesitate to contact us if you have any queries.

Yours sincerely,

SARBJIT BILKHU

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Charity No. 1107767

Trustees' Report and Unaudited Accounts

30 April 2021

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The trustees present their report with the unaudited financial statements of the charity for the year ended 30 April 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1107767

Principal Office

629-631 Strafford Road

Sparkhill

Birmingham

B11 4AN

Trustees

The following trustees served during the year:

M.S. KHALSA

A. SAGGU

B.S. SANDHAWALIA

Accountants

Bilkhu and co ltd

18-20 Navigation Street

Walsall

West Midlands

WS2 9LT

Bankers

Barclays Bank plc

Statement of trustees' responsibilities in relation to the financial statements

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

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

Signed on behalf of the charity's trustees

M.S. KHALSA

Trustee

30 April 2021

Independent Examiner's Report to the trustees of GURU NANAK GURDWARA SOUTH BIRMINGHAM

I report to the trustees on my examination of the financial statements of GURU NANAK GURDWARA SOUTH BIRMINGHAM for the year ended 30 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011('the Act'). The trustees consider that an audit is not required for this year under the Charities Act 2011, s.144(2) (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of the financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Sarbjit Bilkhu AAIA,FMAAT

Member of the Association of International Accountants

Bilkhu and co Ltd

18-20 Navigation Street

Walsall

West Midlands

WS2 9LT

30 April 2021

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Statement of Financial Activities

for the year ended 30 April 2021

		Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Notes			
Income and endowments from:				
Donations and legacies	3	126,935	126,935	216,701
Investments	4	31,445	31,445	23,691
Other	5	118	118	-
Total		158,498	158,498	240,392
Expenditure on:				
Raising funds	6	14,868	14,868	62,067
Other	7	111,321	111,321	135,779
Total		126,189	126,189	197,846
Net gains on investments		-	-	-
Net income	8	32,309	32,309	42,546
Transfers between funds		-	-	-
Net income before other gains/(losses)		32,309	32,309	42,546
Other gains and losses				
Net movement in funds		32,309	32,309	42,546
Reconciliation of funds:				
Total funds brought forward		2,176,741	2,176,741	2,134,195
Total funds carried forward		2,209,050	2,209,050	2,176,741

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Balance Sheet

at 30 April 2021

Charity No. 1107767

		2021 £	2020 £
Fixed assets			
Tangible assets	10	3,351,360	3,360,187
		<u>3,351,360</u>	<u>3,360,187</u>
Current assets			
Cash at bank and in hand		76,085	51,554
		<u>76,085</u>	<u>51,554</u>
Creditors: Amount falling due within one year	11	(2,000)	(3,037)
Net current assets		<u>74,085</u>	<u>48,517</u>
Total assets less current liabilities		3,425,445	3,408,704
Creditors: Amounts falling due after more than one year	12	(1,216,395)	(1,231,963)
Net assets excluding pension asset or liability		<u>2,209,050</u>	<u>2,176,741</u>
Total net assets		<u><u>2,209,050</u></u>	<u><u>2,176,741</u></u>
The funds of the charity			
Restricted funds	13		
Unrestricted funds	13		
General funds		2,209,050	2,176,741
		<u>2,209,050</u>	<u>2,176,741</u>
Reserves	13		
Total funds		<u><u>2,209,050</u></u>	<u><u>2,176,741</u></u>

Approved by the trustees on 30 April 2021

And signed on their behalf by:

M.S. KHALSA

Trustee

30 April 2021

for the year ended 30 April 2021

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Tangible fixed assets and depreciation

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

Plant and machinery	15% Flat rate
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Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Income and endowments from:		
Donations and legacies	216,701	216,701
Investments	23,691	23,691
Total	<u>240,392</u>	<u>240,392</u>
Expenditure on:		
Raising funds	62,067	62,067
Other	135,779	135,779
Total	<u>197,846</u>	<u>197,846</u>
Net income	<u>42,546</u>	<u>42,546</u>
Net income before other gains/(losses)	42,546	42,546
Other gains and losses:		
Net movement in funds	<u>42,546</u>	<u>42,546</u>
Reconciliation of funds:		
Total funds brought forward	2,134,195	2,134,195
Total funds carried forward	<u><u>2,176,741</u></u>	<u><u>2,176,741</u></u>

3 Income from donations and legacies

Donations, offering and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial management. The value of services provided by the volunteers as well as food offering has not been included in the accounts.

Unrestricted £	Total 2021 £	Total 2020 £
114,977	114,977	216,701
11,958	11,958	-
<u><u>126,935</u></u>	<u><u>126,935</u></u>	<u><u>216,701</u></u>

4 Income from investments

Unrestricted	Total 2021	Total 2020
£	£	£
31,445	31,445	23,381
-	-	215
-	-	95
<u>31,445</u>	<u>31,445</u>	<u>23,691</u>

5 Other income

Unrestricted	Total 2021	Total 2020
£	£	£
118	118	-
<u>118</u>	<u>118</u>	<u>-</u>

6 Expenditure on raising funds

Unrestricted	Total 2021	Total 2020
£	£	£
<i>Costs of generating voluntary income</i>		
Donations, offering and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial management.		
14,868	14,868	62,067
<u>14,868</u>	<u>14,868</u>	<u>62,067</u>

7 Other expenditure

	Unrestricted	Total 2021	Total 2020
	£	£	£
Bank loan and overdraft interest payable	27,236	27,236	35,681
Employee costs	11,971	11,971	21,250
Motor and travel costs	205	205	2,969
Premises costs	52,821	52,821	54,794
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	8,827	8,827	10,384
General administrative costs	4,181	4,181	8,121
Legal and professional costs	6,080	6,080	2,580
	<u>111,321</u>	<u>111,321</u>	<u>135,779</u>

8 Net income before transfers

	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	8,827	10,384

9 Staff costs

	2021	2020
	£	£
Salaries and wages	5,467	16,830
	<u>5,467</u>	<u>16,830</u>

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

10 Tangible fixed assets

	Land and buildings	Plant and machinery	Total
	£	£	£
Cost or revaluation			
At 1 May 2020	3,301,339	226,601	3,527,940
At 30 April 2021	<u>3,301,339</u>	<u>226,601</u>	<u>3,527,940</u>
Depreciation and impairment			
At 1 May 2020	-	167,753	167,753
Depreciation charge for the year	-	8,827	8,827
At 30 April 2021	<u>-</u>	<u>176,580</u>	<u>176,580</u>
Net book values			
At 30 April 2021	<u>3,301,339</u>	<u>50,021</u>	<u>3,351,360</u>
At 30 April 2020	<u>3,301,339</u>	<u>58,848</u>	<u>3,360,187</u>

Notes to the Accounts

11 Creditors:

amounts falling due within one year

	2021 £	2020 £
Other creditors	-	1,037
Accruals	2,000	2,000
	<u>2,000</u>	<u>3,037</u>

12 Creditors:

amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	1,216,395	1,231,963
	<u>1,216,395</u>	<u>1,231,963</u>

13 Movement in funds

	At 1 May 2020	Incoming resources (including other gains/losses) £	Resources expended £	At 30 April 2021 £
Restricted funds:				
Unrestricted funds:				
General funds	2,176,741	158,498	(126,189)	2,209,050
Total funds	<u>2,176,741</u>	<u>158,498</u>	<u>(126,189)</u>	<u>2,209,050</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	3,351,360	3,351,360
Net current assets	74,085	74,085
Creditors due in more than one year and provisions	(1,216,395)	(1,216,395)
	<u>2,209,050</u>	<u>2,209,050</u>

15 Reconciliation of net debt

	At 1 May 2020 £	Cash flows £	At 30 April 2021 £
Cash and cash equivalents	51,554	24,531	76,085
	<u>51,554</u>	<u>24,531</u>	<u>76,085</u>
Bank loans	(1,231,963)	15,568	(1,216,395)
	<u>(1,231,963)</u>	<u>15,568</u>	<u>(1,216,395)</u>
Net debt	<u>(1,180,409)</u>	<u>40,099</u>	<u>(1,140,310)</u>

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Statement of Cash flows

for the year ended 30 April 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	32,309	42,546
Adjustments for:		
Depreciation of property, plant and equipment	8,827	10,384
Dividends, interest and rents from investments	(31,563)	(23,691)
Decrease in trade and other payables	(1,037)	-
Net cash provided by operating activities	<u>8,536</u>	<u>29,239</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	31,563	23,691
Net cash from investing activities	<u>31,563</u>	<u>23,691</u>
Cash flows from financing activities		
Repayment of borrowings	(15,568)	(40,991)
Net cash used in financing activities	<u>(15,568)</u>	<u>(40,991)</u>
Net increase in cash and cash equivalents	24,531	11,939
Cash and cash equivalents at the beginning of the year	51,554	39,615
Cash and cash equivalents at the end of the year	<u>76,085</u>	<u>51,554</u>
Components of cash and cash equivalents		
Cash and bank balances	76,085	51,554
	<u>76,085</u>	<u>51,554</u>

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Detailed Statement of Financial Activities

for the year ended 30 April 2021

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies			
Donations, offering and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial management.	114,977	114,977	216,701
The value of services provided by the volunteers as well as food offering has not been included in the accounts.	11,958	11,958	-
	<u>126,935</u>	<u>126,935</u>	<u>216,701</u>
Investments			
	31,445	31,445	23,381
	-	-	215
	-	-	95
	<u>31,445</u>	<u>31,445</u>	<u>23,691</u>
Other			
	118	118	-
	<u>118</u>	<u>118</u>	<u>-</u>
Total income and endowments	158,498	158,498	240,392
Expenditure on:			
Costs of generating donations and legacies			
Donations, offering and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial management.	14,868	14,868	62,067
	<u>14,868</u>	<u>14,868</u>	<u>62,067</u>
Total of expenditure on raising funds	14,868	14,868	62,067
Other expenditure			
Bank loan and overdraft interest payable	27,236	27,236	35,681
	<u>27,236</u>	<u>27,236</u>	<u>35,681</u>
Employee costs			

GURU NANAK GURDWARA SOUTH BIRMINGHAM

Detailed Statement of Financial Activities

Salaries/wages	5,467	5,467	16,830
Staff training	6,504	6,504	4,420
	<u>11,971</u>	<u>11,971</u>	<u>21,250</u>
Motor and travel costs			
Vehicles - General costs	205	205	2,969
	<u>205</u>	<u>205</u>	<u>2,969</u>
Premises costs			
Rates	7,305	7,305	6,361
Light, heat and power	26,703	26,703	28,212
Premises cleaning	5,571	5,571	6,665
Premises insurances	9,858	9,858	7,174
Premises repairs and maintenance	3,384	3,384	6,382
	<u>52,821</u>	<u>52,821</u>	<u>54,794</u>
General administrative costs, including depreciation and amortisation			
Depreciation of Plant and machinery	8,827	8,827	10,384
Bank charges	851	851	1,458
Information and publications	-	-	1,505
Software, IT support and related costs	144	144	158
Stationery and printing	714	714	2,862
Subscriptions	-	-	269
Sundry expenses	1,556	1,556	200
Telephone, fax and broadband	916	916	1,669
	<u>13,008</u>	<u>13,008</u>	<u>18,505</u>
Legal and professional costs			
Accountancy and bookkeeping	3,005	3,005	2,000
Consultancy fees	-	-	580
Other legal and professional costs	3,075	3,075	-
	<u>6,080</u>	<u>6,080</u>	<u>2,580</u>
Total of expenditure of other costs	<u>111,321</u>	<u>111,321</u>	<u>135,779</u>
Total expenditure	126,189	126,189	197,846
Net gains on investments	-	-	-
	<u>32,309</u>	<u>32,309</u>	<u>42,546</u>
Net income			
Net income before other gains/(losses)	32,309	32,309	42,546
Other Gains	-	-	-
	<u>32,309</u>	<u>32,309</u>	<u>42,546</u>
Net movement in funds	<u>32,309</u>	<u>32,309</u>	<u>42,546</u>

GURU NANAK GURDWARA SOUTH BIRMINGHAM
Detailed Statement of Financial Activities

Reconciliation of funds:

Total funds brought forward	2,176,741	2,176,741	2,134,195
Total funds carried forward	<u>2,209,050</u>	<u>2,209,050</u>	<u>2,176,741</u>