

Charity Registration No. 1143043

Company Registration No. 07517633 (England and Wales)



**HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Mr Thampippillai Manmatharajah  
Mr Navaratnam Shanmuganathan  
Mr Ponniah Kailayapathivagan  
Mr Sundarampillai Sivachandran  
Mr Anthonipillai Kantharuban  
Mr Kanagasabapathy Mathisoody  
Mr Kabilan Ganeshamoorthy  
Mr Jeevah Haran

**Secretary** Mr Thampipillai Manmatharajah

**Charity number** 1143043

**Company number** 07517633

**Registered office** 61-65 Church Lane  
Edmonton  
London  
N9 9PZ

**Auditor** Moore NHC Audit Limited  
First Floor  
73-75 High Street  
Stevenage  
Hertfordshire  
SG1 3HR

**Bankers** Barclays Bank plc  
The Enfield Group  
20 The Town  
Enfield  
Middlesex  
EN2 6LY

HSBC Bank plc  
17 The Broadway  
Southgate  
London  
N14 6PP

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# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

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# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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 2019)".

#### **Objectives and activities**

The Charity's objects are specifically restricted to the following:

To advance the Hindu Religion in particular but not exclusively by the establishment and management of the Nagapooshani Ambaal Temple; and the advancement of education in the Tamil Language, Culture and Art. To further its objects, the Charity may:

- Organise events and to arrange activities to raise funds for progress / promotion of Nagapooshani Ambaal Temple and objectives of the Trust;
- Establish Nursery and Hindu Religious and Educational Institutions for the benefits of the Hindu Community;
- Raise funds, invite and receive contributions from person or persons by way of subscriptions and otherwise provided that the Trust shall not undertake trading activities in raising funds for the said objects; and
- Invest the monies of the Trust not immediately required for the said objectives in or upon such investment, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law.

The Trustees have considered the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the Charity's aims and objectives and in planning its future activities.

#### **Public benefit**

The Charity has achieved the public benefit objectives by meeting the spiritual requirements of the congregation. This was achieved by holding the daily poojas, arti and discourses. All key festival and religious dates are observed and celebrated by the devotees.

#### **Volunteers**

The Charity depends heavily upon the continuing support of devotees. We also thank all volunteers for their hard work during the year, particularly those working within the areas of Prashad preparations, various educational activities, car park duties, cleaning, organised special events, decorations, and other religious activities and pray that they continue to serve the Trust in the future.

Although volunteer contribution is integral to the contribution of the Charity, It is difficult to quantify the number of voluntary hours served by the devotees.

#### **Achievements and performance**

The Trustees are pleased to report on this year in which the Charity fulfilled its objectives. All funds received during the year have been applied in meeting the Charity's charitable objectives.

Any surpluses arising from donations and other income are held for the general benefit of the Charity's operations.

#### **Financial review**

The Statement of Financial Activities (SOFA) shows net income and expenditure for the year. The SOFA also shows the financial activity of the Charity distinguishing between restricted and unrestricted activities.

At 31 December 2022, the Charity had net assets of approximately £3.3 million (2021 - £3.1 million).

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Income

The Trustees were pleased with the level of income during the year.

Income increased from the previous year with a net income for the year at £166,397 (2021 - £151,794). This increase is due to a rise in Abisekam and Archanai contributions.

### Reserves policy and going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trust is totally reliant on donations, taking all these factors into account, next year's income is based on the expectation of the government guidelines. No doubt, our core expenses will also reflect proportionally however, having prepared a forecast for this period the trustees have noted that even though income has increased compared to pre-Covid level, costs have also increased due to higher inflations and other economic factors.

The Trust recognises the importance of having reserves. These funds are freely available to spend on any of the Charity's purposes and hence exclude restricted funds.

An increase in unrestricted reserves of £150,986 (2021 - £131,916) indicates that there are no material risks to the organisation's ability to operate as a going concern. As a result, the accounts have been prepared on a going concern basis.

The Trustees have confirmed that, after careful review of the reserves policy, the most appropriate measure of reserves for the Charity is by reference to the Charity's liquidity position. As at 31 December 2022, in considering the adequacy of the reserves, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have continued to adopt the going concern basis concept in preparing the financial statements.

The Trustees consider the key measure of sustainability for the Charity to be current and future liquidity cover, rather than the surplus or deficit accounting position. As a consequence, the Trustees have set appropriate reserves policies relating to liquidity based on the relationship between readily realisable assets, on-going level of donations received, and the cash requirements associated with sustaining the Charity's operations for a year.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect ongoing work programme; and
- to allow the Charity to meet its objectives.

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- year of time required to re-establish income streams;
- year of time required to downsize the Charity operations;
- whether there is adequate control over budgets; and
- requirements for a reasonable level of working capital.

The Trustees are of the view that with minimum annual income of £500k, maintaining cash reserves of at least £50k will provide sufficient resources in the event of adverse conditions. The Trustees have also assessed other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

In the event of the Charity facing difficult financial circumstances, this would allow it to continue operations during a year of managed adjustment to these new circumstances.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees review the Charity's reserves policy annually and are satisfied with this level of cash reserves at the end of 2022 and are confident that the cash reserves will continue to increase in subsequent years.

### **Investments policy**

The Trustees' investment powers allow the Trustees to invest surplus funds to generate income with which to fund future activities.

The Trustees' investment policy is to aim for safety, commensurate with immediate and planned spending requirements and given the current uncertainties in the financial markets, the Trustees consider it appropriate to be holding funds in deposit accounts where they achieve a steady return.

### **Risk management**

The Trustees have an informal risk management strategy which comprises:

- Ongoing review of the risks the Charity may face;
- Establishment of systems and procedures to mitigate those risks; and
- Implementation of procedures designed to minimise any potential impact on the Charity should those risks materialize.

The Board of Trustees is responsible for the management of the risks faced by the Trust. Consideration of such risks is made on an informal ongoing basis and controls to mitigate such risks are reviewed on an ongoing informal basis. A review and assessment of these controls is undertaken on an annual basis.

Through the above, the Trustees are satisfied that major risks identified are subsequently mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The activities of the Charity are dependent on its ability to raise funds from donations and other lending. The key risk for 2022 therefore is the Charity's ability to secure ongoing funding to support the repayment of bank loans that were used for the purpose of building the temple to date. The Trustees consider this risk to be low as its donors are diverse and very supportive. The charitable expenditure is largely discretionary and can be reduced to mitigate a substantial reduction in income.

### **Structure, governance and management**

The Trust is a company limited by guarantee. None of the Trustees had any beneficial interest in the company during the year. The Hindu Tamil Cultural Association (Enfield) was incorporated on 4th February 2011. It is registered as a charity with the Charity Commission.

The Trust is a Registered Charity under the Laws of England and Wales, which is overseen by the Charity Commission. The Trustees are responsible for the activities of the Trust and the day to day management.

There are currently eight members each giving a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. The governing document is the Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Thampippillai Manmatharajah  
Mr Navaratnam Shanmuganathan  
Mr Ponniah Kailayapathivagan  
Mr Sundarampillai Sivachandran  
Mr Anthonipillai Kantharuban  
Mr Kanagasabapathy Mathisoody  
Mr Kabilan Ganeshamoorthy  
Mr Jeevah Haran

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### Appointment of Trustees

The appointment of Trustees is governed by the Articles of Association. The number of Trustees must consist of at least six members.

The election of office bearers shall be carried out by the members in a meeting by the Trustees in December. All the members of the executive committee shall be elected by the Trustees at this meeting.

The by-election of a member of the committee of the Trust in place of the one who expires or is being disqualified or otherwise cease to be a member of the committee shall be held by the Trustees and the remaining members of the Trust shall use their best discretion in adapting the provisions for such by election.

### Organisational structure and decision making

Each Trustee has assumed responsibility for monitoring activities in specific operational areas and chairing groups consisting of staff and volunteers. The Trustees report the activities of these operational areas to the Board of Trustees. All Trustees give their time voluntarily and receive no benefits from the Charity.

Decision making duties are carried out by the executive committee which shall be elected by the Trustees their monthly meeting. Other ad-hoc decisions are taken by the Executive committee members (Trustees) with executive positions.

### Induction and training of new Trustees

As part of their induction program, new Trustees are made aware of their responsibilities. This includes an introduction to the objectives, scope and policies of the Charity, the Charity Commission information on Trustees' responsibilities and a copy of the Constitution. Additional training is available to keep up with all new regulations concerning the Charity's activities.

### Remuneration policy for key management personnel

The key management personnel of the Charity are the Trustees, who are not remunerated.

### Related party relationships

Details of related parties are included in the notes to the financial statements.

### Auditor

Moore NHC Audit Limited were reappointed as the charitable company's auditors during the year. A resolution will be proposed at the Annual General Meeting that Dr Kathiravellupillai Sivasinmyanathan will be authorised to engage auditors for the Charity for the ensuing year.

### Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Mr. Thampippillai Manmatharajah  
Trustee

Date: 28 Sep 2023.....

# **HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The Trustees, who are also the directors of Hindu Tamil Cultural Association (Enfield) for the purpose of company law, 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).

Company 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK 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 adequate accounting records that 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 Companies Act 2006. 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.



# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

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#### Opinion

We have audited the financial statements of Hindu Tamil Cultural Association (Enfield) (the 'Charity') 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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 Charity'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, except to the extent otherwise explicitly stated in our report, 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

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#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

#### Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Francis Corbishley (Senior Statutory Auditor)**  
**for and on behalf of Moore NHC Audit Limited**  
**Chartered Accountants**  
**Statutory Auditor**  
**First Floor**  
**73-75 High Street**  
**Stevenage**  
**Hertfordshire**  
**SG1 3HR**

*F. J. Corbishley*

Francis Corbishley (Sep 28, 2023,  
10:37am)  
28 Sep 2023

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b>Income from:</b>							
Donations and legacies	2	533,276	53,412	586,688	493,158	56,614	549,772
Charitable activities	3	201,568	-	201,568	166,044	-	166,044
Other trading activities	4	57,942	-	57,942	26,679	-	26,679
Investments	5	74,000	-	74,000	59,923	-	59,923
<b>Total income</b>		<b>866,786</b>	<b>53,412</b>	<b>920,198</b>	<b>745,804</b>	<b>56,614</b>	<b>802,418</b>
<b>Expenditure on:</b>							
Charitable activities	6	688,458	-	688,458	589,889	-	589,889
Other expenditure	9	12,837	38,001	50,838	23,999	36,736	60,735
<b>Total expenditure</b>		<b>701,295</b>	<b>38,001</b>	<b>739,296</b>	<b>613,888</b>	<b>36,736</b>	<b>650,624</b>
<b>Net income for the year/ Net movement in funds</b>		<b>165,491</b>	<b>15,411</b>	<b>180,902</b>	<b>131,916</b>	<b>19,878</b>	<b>151,794</b>
Fund balances at 1 January 2022		3,070,869	36,782	3,107,651	2,938,953	16,904	2,955,857
<b>Fund balances at 31 December 2022</b>		<b>3,236,360</b>	<b>52,193</b>	<b>3,288,553</b>	<b>3,070,869</b>	<b>36,782</b>	<b>3,107,651</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12	3,065,001		3,090,806	
Investment properties	13	2,511,293		2,430,848	
		<u>5,576,294</u>		<u>5,521,654</u>	
<b>Current assets</b>					
Debtors	14	13,711		3,075	
Cash at bank and in hand		65,477		139,025	
		<u>79,188</u>		<u>142,100</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(338,276)</u>		<u>(264,650)</u>	
Net current liabilities			(259,088)		(122,550)
<b>Total assets less current liabilities</b>			5,317,206		5,399,104
<b>Creditors: amounts falling due after more than one year</b>	16		(2,028,653)		(2,291,453)
<b>Net assets</b>			<u>3,288,553</u>		<u>3,107,651</u>
<b>Income funds</b>					
Restricted funds	19	52,193		36,782	
Unrestricted funds		3,236,360		3,070,869	
		<u>3,288,553</u>		<u>3,107,651</u>	

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

The financial statements were approved by the Trustees on 28 Sep 2023



Mr. Thampippillai Manmatharajah  
Trustee

Company Registration No. 07517633

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20		168,825		138,063
<b>Investing activities</b>					
Purchase of tangible fixed assets		(35,291)		(8,720)	
Purchase of investment property		(80,445)		(91,281)	
Investment income received		74,000		59,923	
<b>Net cash used in investing activities</b>			(41,736)		(40,078)
<b>Financing activities</b>					
Repayment of bank loans		(200,637)		(25,002)	
<b>Net cash used in financing activities</b>			(200,637)		(25,002)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(73,548)		72,983
Cash and cash equivalents at beginning of year			139,025		66,042
<b>Cash and cash equivalents at end of year</b>			65,477		139,025

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

Hindu Tamil Cultural Association (Enfield) is a private company limited by guarantee incorporated in England and Wales. The registered office is 61-65 Church Lane, Edmonton, London, N9 9PZ.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and 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 Charity 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 donations and other income received or generated for the charitable purposes. These funds are available for use towards meeting the objectives of the Charity.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

#### **1.4 Income**

Income from donations and grants, including capital grants, is included when these are receivable, except as follows:

- When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions, which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred until the preconditions for use have been met.
- When donors specify that donations and grants, including capital grants, are for restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in restricted funds when receivable.
- Gifts in kind are valued by the amount stated on the receipt if provided by the donor. Where no receipt is available, the items are valued by multiplying the weight with the prevailing price on the respective precious metal or commodity exchange in London at the respective wholesale price of each, plus a fixed value for labour per gram.
- Where tax has been deducted at source, income is grossed up where a claim for the tax repayment has been made. The tax recoverable is shown as a debtor

Income from investments is included in the Statement of Financial Activities in the period it is receivable and deferred or accrued accordingly.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

The policy for including items within the relevant activity categories of expenditure is that expenditure is charged to the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered and is classified as follows:

##### Costs of generating funds

The costs of generating funds comprise the costs associated with attracting voluntary income.

##### Charitable activities

- Activities in furtherance of the Charity's objectives and aims.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them.
- Governance costs shall include all expenditure directly related to the administration of the Charity including expenditure incurred in the management of the Charity's assets, organisational administration and compliance with charitable and statutory requirements.

##### Allocation of costs within types of expenditure

The methods and principles for the allocation and apportionment of all costs between the different activity categories of resources set out above are:

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

#### 1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Temple buildings	2% straight line
Computers	25% straight line
Equipment	20% straight line
Motor vehicles	25% straight line

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 Investment properties

Investment properties are included in the Balance sheet at their fair value in accordance with Financial Reporting Standard 102 and are not depreciated. Gains are recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Charity 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).

#### 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.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### 1.10 Taxation

The company has been confirmed to be exempt from Corporation Tax, as having charitable status, upon any surpluses arising from its activities as long as those surpluses are held for the purpose of the company's objects.

All the activities are outside the scope of VAT and input tax on purchases is not recoverable and therefore is charged against the category of expenditure for which it was incurred.

##### 1.11 Creditors and provisions

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 recognized at their settlement amount after allowing for any trade discounts due.

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transition value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

##### 1.12 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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

#### 2 Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Till collection	10,610	-	10,610	14,966	14,966
General donation received	456,830	-	456,830	478,192	478,192
General donation received (children's welfare - restricted)	-	29,248	29,248	-	29,904
Government grants	65,836	-	63,836	-	-
Building fund donations - restricted	-	24,164	24,164	-	26,710
	<u>533,276</u>	<u>53,412</u>	<u>586,688</u>	<u>493,158</u>	<u>549,772</u>



# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Income from charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Abisekam & Archanai contribution	201,568	166,044

### 4 Income from other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Miscellaneous income	57,942	26,474
Activities for generating funds	-	205
Other trading activities	57,942	26,679

### 5 Income from investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Rental income	74,000	59,923

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Expenditure on charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Staff costs	125,284	126,733
Depreciation and impairment	61,097	62,638
Announcements and adverts	-	2,190
Abisekam and related expenses	201,917	189,806
Water rates	4,797	16,704
General rates	8,089	8,158
Premises insurance	4,359	13,293
Light and heat	20,855	20,655
Printing, stationery and postage	5,997	2,824
Telephone	1,975	2,268
Computer supplies	2,274	569
Repairs and renewals	7,860	17,188
Cleaning	8,266	6,877
Security and alarm	6,398	2,496
Motor vehicle and travelling expenses	1,972	2,168
Office expenses	2,465	3,157
Wedding expenditure	22,719	-
Festival expenditure	87,525	-
	<u>573,849</u>	<u>477,724</u>
Share of governance costs (see note 7)	114,609	112,165
	<u>688,458</u>	<u>589,889</u>

### 7 Support and governance costs

	Support costs £	Governance costs £	Total 2022 £	Support costs £	Governance costs £	Total 2021 £
Audit and accountancy fees	-	7,700	7,700	-	7,000	7,000
Professional fees	-	988	988	-	11,313	11,313
Bank charges	-	13,100	13,100	-	7,662	7,662
Bank loan interest	-	92,821	92,821	-	86,190	86,190
	<u>-</u>	<u>114,609</u>	<u>114,609</u>	<u>-</u>	<u>112,165</u>	<u>112,165</u>
Allocated to:						
Charitable activities	-	114,609	114,609	-	112,165	112,165
	<u>-</u>	<u>114,609</u>	<u>114,609</u>	<u>-</u>	<u>112,165</u>	<u>112,165</u>

Governance costs includes payments to the auditors of £7,700 (2021- £7,000) for audit fees.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Trustees

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

### 9 Other expenditure

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
General donations - Asia	-	38,001	38,001	9,726	36,736	46,462
General donations - UK	12,837	-	12,837	14,273	-	14,273
	<u>12,837</u>	<u>38,001</u>	<u>50,838</u>	<u>23,999</u>	<u>36,736</u>	<u>60,735</u>

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Priests	4	5
Administration	4	5
	<u>8</u>	<u>10</u>

#### Employment costs

	2022 £	2021 £
Wages and salaries	123,397	124,760
Social security costs	1,887	1,973
	<u>125,284</u>	<u>126,733</u>

There were no employees whose annual remuneration was £60,000 or more.

### 11 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.

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

	Temple buildings	Computers	Jewellery	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	2,884,974	48,815	430,479	3,364,268
Additions	25,999	9,292	-	35,291
At 31 December 2022	2,910,973	58,107	430,479	3,399,559
<b>Depreciation and impairment</b>				
At 1 January 2022	230,800	42,665	-	273,465
Depreciation charged in the year	57,697	3,396	-	61,093
At 31 December 2022	288,497	46,061	-	334,558
<b>Carrying amount</b>				
At 31 December 2022	2,622,476	12,046	430,479	3,065,001
At 31 December 2021	2,654,176	6,151	430,479	3,090,806

### 13 Investment property

	2022 £
<b>Fair value</b>	
At 1 January 2022	2,430,848
Additions through external acquisition	80,445
At 31 December 2022	2,511,293

### 14 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	12,837	2,201
Prepayments and accrued income	874	874
	13,711	3,075

### 15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Secured loan	17	299,500	237,337
Other taxation and social security		4,105	2,125
Other creditors		25,011	15,274
Accruals and deferred income		9,660	9,914
		338,276	264,650

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

	Notes	2022 £	2021 £
Secured loan	17	2,028,653	2,291,453

#### 17 Loans and overdrafts

	2022 £	2021 £
Secured loan	2,328,153	2,528,790
Payable within one year	299,500	237,337
Payable after one year	2,028,653	2,291,453
Amounts included above which fall due after five years:		
Payable by instalments	(801,318)	(1,312,769)

The loans are secured against the properties owned by the Charity.

#### 18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	3,065,001	-	3,065,001	-	3,090,806
Investment properties	2,511,293	-	2,511,293	-	2,430,848
Current assets/(liabilities)	(311,281)	52,193	(259,088)	36,782	(122,550)
Long term liabilities	(2,028,653)	-	(2,028,653)	-	(2,291,453)
	3,236,360	52,193	3,288,553	36,782	3,107,651

# HINDU TAMIL CULTURAL ASSOCIATION (ENFIELD)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 19 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Income	Expenditure	Balance at 1 January 2022	Income	Expenditure	Balance at 31 December 2022
	£	£	£	£	£	£	£
Children's homes	16,904	56,614	(36,736)	36,782	53,412	(38,001)	52,193

#### Children's homes

The children's homes fund represents donations that have been received specifically for children's homes in Sri Lanka.

#### 20 Cash generated from operations

	2022 £	2021 £
Surplus for the year	180,901	151,792
Adjustments for:		
Investment income recognised in statement of financial activities	(74,000)	(59,923)
Depreciation and impairment of tangible fixed assets	61,097	62,638
Movements in working capital:		
(Increase) in debtors	(10,636)	(2,201)
Increase/(decrease) in creditors	11,463	(14,243)
<b>Cash generated from operations</b>	<b>168,825</b>	<b>138,063</b>

#### 21 Analysis of changes in net (debt)/funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	139,025	(73,548)	65,477
Loans falling due within one year	(237,337)	(62,163)	(299,500)
Loans falling due after more than one year	(2,291,453)	262,800	(2,028,653)
	<b>(2,389,765)</b>	<b>127,089</b>	<b>(2,262,676)</b>