

WOLVERHAMPTON SIKH MISSION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

WOLVERHAMPTON SIKH MISSION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

P S Uppal
S S Uppal
K S Boparai
H S Uppal
A S Bhogal
J S Dudhra
G S Sangha
D S Sahota

(Appointed 18 February 2024)
(Appointed 18 February 2024)

Charity number

1176421

Principal address

8 Upper Villiers Street
Wolverhampton
West Midlands
WV2 4NP

Auditor

CKCA Limited
No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

WOLVERHAMPTON SIKH MISSION

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WOLVERHAMPTON SIKH MISSION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and financial statements for the year ended 31 December 2023. The working name of the charity is Guru Teg Bahadur Sikh Temple and the principal address is 8 Upper Villiers Street, Wolverhampton, WV2 4NP. The registered charity number is 1176421.

The charity was established following registered Charity status for the CIO being granted on 21 December 2017 under Registration Number 1176421.

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 governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The trustees hold the trust fund and its income to be used in the city of Wolverhampton for the provision of a place of worship (the Gurdwara) for persons professing the Sikh religion and for furthering the religious and other charitable work of the Gurdwara.

The premises are run by the community for the community with the help of the trustees. Under the principles of Sikhism the premises are open to all communities and individuals provided no alcohol or drugs are brought onto the premises.

The charity aims to assist the local community in any way it can by engaging and giving back, both in terms of financial and services it provides. The success of this is measured by the engagement of the local community. The trustees are constantly exploring ways to engage.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

During the year the development of the listed Gurdwara and adjoining buildings continued.

When planning the activities for the year, the trustees have considered the Commission's guidance on public benefit. The Gurdwara seeks to work in harmony with other communities and charitable organisations and this is reflected in the donations made during the year.

The Gurdwara continued to support a number of Sikh causes during 2023. This included a substantial contribution to building a library in the village which is known as Guru Teg Bahadur in India.

The charity provides all the normal services provided by Sikh Gurdwaras such as celebration of Sikh Gurburbs (Religious days - births etc, of our Gurus), Births and Weddings, provision of funeral services and social and leisure centre facilities for older retired members of the Community.

The Gurdwara continues to be involved in encouraging sport in the local community and sees this as a good opportunity to integrate with the different community groups.

The Trustees are also looking to purchase a temporary building in the form of a portacabin, to be used as an advice centre for members of the community.

The Gurdwara relies on voluntary contributions to operate and fulfil its objectives. The trustees also wish to acknowledge with gratitude all individuals who have made donations or volunteered time during the year. The Gurdwara could not continue to operate without their support.

WOLVERHAMPTON SIKH MISSION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

We have continued to provide financial support to Punjab United Sports and Football Club who have offices in the Gurdwara. The club, which caters for children aged between 9 and 19, provides football facilities for these children and helps to keep them off the street at weekends. The club is multi-racial and multi-cultural and has been operating in Wolverhampton for over 40 years. The club is managed by professionals who provide their services free of charge. The club takes children from the whole of the city of Wolverhampton. During 2021 this continued to have a strong impact in the Community where possible as this was restricted due to the Coronavirus pandemic.

We also run yoga classes and martial arts classes in the Gurdwara twice a week, where government guidelines allow. Again the participants are from all areas of the community and are mainly middle-aged men and women.

Our healthy living programme, in partnership with the British Heart Foundation, is aimed at teaching the Asian community about healthy living and how to prepare healthy food. The programme ran throughout the year, when the Gurdwara was open, and has helped the congregation with healthy eating plans and weight loss.

Each Tuesday a 'Ladies Day' is held at the Gurdwara. All the ladies of the congregation take over the Gurdwara for the day.

The exhibition of Sikh ancestry opened at the Gurdwara in 2012 and has continued to impact the community during the year. Its' aim to increase the awareness of the roots of Sikhism has meant that this exhibition has again been viewed by a number of schools, both primary and secondary on a weekly basis. The schools are from Wolverhampton and the surrounding area. The Trustees are extremely proud of this exhibition and the impact it has had on the community over the last few years and hope that its popularity will continue in the future.

The charity considers its key performance indicators to be the level of donations received. During the year there has been an increase in donations as shown in the financial review section of this report.

The charity does not carry out significant fundraising activities.

Financial review

Total income for the year amounted to £531,929 (2022: £618,508) a decrease of 14% (2022: 33.4% increase).

The level of donations and gifts has decreased to £465,525 (2022: £489,028).

The claim for the 2023 calendar year was submitted to HMRC after the year end and was for £66,404 (2022: £72,148). A reserve for this claim has been made in the accounts, and is included in other debtors.

Donations and gift aid are the main source of income for the charity.

The expenditure on charitable activities and the running of the charity amounted to £241,283 (2022: £263,527) Capital expenditure of £231,810 (2022: £998,351) was incurred.

The trustees are satisfied that the charity is adequately financed for the foreseeable future.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in donations received, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have the power to invest as they see fit in order to ensure that the objectives of the Charity are met.

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

WOLVERHAMPTON SIKH MISSION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The key risk to the charity is the fall in donation income. Donations are monitored on a regular basis by the trustees and the Gurdwara takes an active role in the community and congregation to encourage contributions to the good works the charity undertakes.

Structure, governance and management

The charity is governed by a Trust deed as a registered CIO with the Charity Commission for England & Wales. Trustees are advised of the Charity Commission guidance on being a new Trustee on their appointment to the Board. The trustees have regular day to day contact within the Gurdwara and are heavily involved in the decision making process.

The trustees who served during the year and up to the date of signature of the financial statements were:

P S Uppal

S S Uppal

K S Boparai

H S Uppal

R S Basi

(Resigned 1 July 2024)

A S Bhogal

J S Dudhra

B Singh

(Resigned 1 February 2024)

G S Sangha

(Appointed 18 February 2024)

D S Sahota

(Appointed 18 February 2024)

The Trustees run the affairs of the Gurdwara. The board of trustees may fill vacancies arising during the year by appointing trustees themselves. Any appointments made are with due regard to the relevant skills and knowledge required.

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



S S Uppal

Trustee

Dated: 28 October 2024

WOLVERHAMPTON SIKH MISSION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

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

WOLVERHAMPTON SIKH MISSION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WOLVERHAMPTON SIKH MISSION

Opinion

We have audited the financial statements of Wolverhampton Sikh Mission (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 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.

Comparative figures have not been audited.

WOLVERHAMPTON SIKH MISSION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WOLVERHAMPTON SIKH MISSION

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identified and assessed the risks of material misstatement of the financial statements, in respect of irregularities whether due to fraud or error, or non compliance with laws and regulations and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity by discussion and enquiry with the Trustees and our general knowledge and experience of the Charity.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, data protection, employment, and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries, reviewing correspondence with relevant regulators.

WOLVERHAMPTON SIKH MISSION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF WOLVERHAMPTON SIKH MISSION

Audit response to risks identified

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included but were not limited to:

- Discussions with trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Performing analytical procedures to identify any unusual or unexpected relationships;
- Reviewing unusual or unexpected transactions; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



CK Audit

28 October 2024

Chartered Accountants
Statutory Auditor

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

CKCA Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

WOLVERHAMPTON SIKH MISSION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	465,525	-	465,525	489,028	-	489,028
Investments	4	-	-	-	20	-	20
Other income	5	66,404	-	66,404	129,460	-	129,460
Total income		531,929	-	531,929	618,508	-	618,508
Expenditure on:							
Charitable activities	6	235,600	5,684	241,284	257,843	5,684	263,527
Total expenditure		235,600	5,684	241,284	257,843	5,684	263,527
Net income/(expenditure) and movement in funds		296,329	(5,684)	290,645	360,665	(5,684)	354,981
Reconciliation of funds:							
Fund balances at 1 January 2023		3,356,485	52,746	3,409,231	2,995,820	58,430	3,054,250
Fund balances at 31 December 2023		3,652,814	47,062	3,699,876	3,356,485	52,746	3,409,231

WOLVERHAMPTON SIKH MISSION

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		3,683,326		3,460,382
Current assets					
Debtors	13	69,801		75,590	
Cash at bank and in hand		56,389		77,623	
		126,190		153,213	
Creditors: amounts falling due within one year	15	(109,640)		(204,364)	
Net current assets/(liabilities)			16,550		(51,151)
Total assets less current liabilities			3,699,876		3,409,231
The funds of the charity					
Restricted income funds	16		47,062		52,746
Unrestricted funds	17		3,652,814		3,356,485
			3,699,876		3,409,231

The financial statements were approved by the trustees on 28 October 2024


S S Uppal
Trustee

WOLVERHAMPTON SIKH MISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	20		355,966		354,905
Investing activities					
Purchase of tangible fixed assets		(231,810)		(998,350)	
Investment income received		-		20	
Net cash used in investing activities			(231,810)		(998,330)
Financing activities					
Repayment of borrowings		(145,390)		195,390	
Net cash (used in)/generated from financing activities			(145,390)		195,390
Net decrease in cash and cash equivalents			(21,234)		(448,035)
Cash and cash equivalents at beginning of year			77,615		525,650
Cash and cash equivalents at end of year			56,381		77,615
Relating to:					
Cash at bank and in hand			56,389		77,623
Bank overdrafts included in creditors payable within one year			(8)		(8)

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Wolverhampton Sikh Mission is a Charity governed by a trust deed approved by the Charity Commission.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deeds, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The 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. 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 available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

1.4 Income

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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:

Freehold land and buildings	2% Straight Line
Fixtures and fittings	25% Straight Line
Motor vehicles	33.33% 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 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).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

Critical judgements

Useful economic life of non-current assets

The useful economic lives of non-current assets have been derived from the judgement of the Trustees, using their best estimate of write-down period.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	465,525	489,028

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	-	20

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gift aid	66,404	129,460

6 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Staff costs	46,967	38,376
Depreciation and impairment	8,866	15,458
Granthis	16,170	16,759
Langar	45,015	26,481
Donations to institutions	2,000	40,136
Donations to individuals	6,070	21,920
	125,088	159,130
Share of support and governance costs (see note 7)		
Support	101,587	99,682
Governance	14,609	4,715
	241,284	263,527
Analysis by fund		
Unrestricted funds	235,600	257,843
Restricted funds	5,684	5,684
	241,284	263,527

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Support costs allocated to activities

	2023 £	2022 £
Rates	4,975	2,955
Insurance	8,367	5,600
Light & heat	36,174	29,512
Repairs & maintenance	34,401	20,878
Bank charges	1,427	1,633
Telephone & fax	764	391
Motor expenses	801	3,126
Sundries	14,678	13,142
Advertising	-	22,445
Governance costs	14,609	4,715
	<u>116,196</u>	<u>104,397</u>
Analysed between:		
Charitable activities	<u>116,196</u>	<u>104,397</u>

Governance costs include audit fees of £7,500 (2022: £7,150) for the year ended 31 December 2023.

8 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>8,866</u>	<u>15,458</u>

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>3</u>	<u>3</u>
Employment costs		
	2023 £	2022 £
Wages and salaries	46,967	35,368
Social security costs	-	3,008
	<u>46,967</u>	<u>38,376</u>

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Employees

(Continued)

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

11 Taxation

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

12 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2023	1,097,627	2,393,080	52,039	12,250	3,554,996
Additions	60,060	171,750	-	-	231,810
At 31 December 2023	1,157,687	2,564,830	52,039	12,250	3,786,806
Depreciation and impairment					
At 1 January 2023	38,647	-	43,717	12,250	94,614
Depreciation charged in the year	5,684	-	3,182	-	8,866
At 31 December 2023	44,331	-	46,899	12,250	103,480
Carrying amount					
At 31 December 2023	1,113,356	2,564,830	5,140	-	3,683,326
At 31 December 2022	1,058,980	2,393,080	8,322	-	3,460,382

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	66,404	72,418
Prepayments and accrued income	3,397	3,172
	69,801	75,590

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	8	8
Other loans	50,000	195,390
	<u>50,008</u>	<u>195,398</u>
Payable within one year	<u>50,008</u>	<u>195,398</u>

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	14	8	8
Other borrowings		50,000	195,390
Other taxation and social security		1,661	(62)
Trade creditors		35,578	-
Accruals and deferred income		22,393	9,028
		<u>109,640</u>	<u>204,364</u>

16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Resources expended £	At 31 December 2023 £
Wolverhampton BC - Land & Buildings	52,171	(5,684)	46,487
Misc Donation	575	-	575
	<u>52,746</u>	<u>(5,684)</u>	<u>47,062</u>

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Restricted funds

(Continued)

Previous year:

	At 1 January 2022	Resources expended	At 31 December 2022
	£	£	£
Wolverhampton BC - Land & Buildings	57,855	(5,684)	52,171
Misc Donation	575	-	575
	<u>58,430</u>	<u>5,684</u>	<u>52,746</u>

Restricted funds were received in previous years towards the purchase of land and buildings. The funds is being reduced each year by the freehold depreciation charge.

17 Unrestricted funds

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

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	<u>3,356,485</u>	<u>531,929</u>	<u>(235,600)</u>	<u>3,652,814</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	<u>2,995,820</u>	<u>618,508</u>	<u>(257,843)</u>	<u>3,356,485</u>

18 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£
At 31 December 2023:			
Tangible assets	3,636,264	47,062	3,683,326
Current assets/(liabilities)	<u>16,550</u>	<u>-</u>	<u>16,550</u>
	<u>3,652,814</u>	<u>47,062</u>	<u>3,699,876</u>

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 December 2022:			
Tangible assets	3,407,636	52,746	3,460,382
Current assets/(liabilities)	(51,151)	-	(51,151)
	<u>3,356,485</u>	<u>52,746</u>	<u>3,409,231</u>

19 Related party transactions

S S Uppal, a Trustee, donated £3,000 in the year (2022: £2,000).

H S Uppal, a Trustee, donated £Nil in the year (2022: £610).

K Uppal, wife of P S Uppal, a Trustee, donated £25,500 in the year (2022: £Nil).

An amount of £50,000 (2022: £50,000) was due to J Dudrah, a Trustee, as at 31 December 2023. This is included within creditors due in less than one year.

20 Cash generated from operations

	2023 £	2022 £
Surplus for the year	290,645	354,981
Adjustments for:		
Investment income recognised in statement of financial activities	-	(20)
Depreciation and impairment of tangible fixed assets	8,866	15,458
Movements in working capital:		
Decrease/(increase) in debtors	5,789	(14,789)
Increase/(decrease) in creditors	50,666	(725)
Cash generated from operations	<u>355,966</u>	<u>354,905</u>

WOLVERHAMPTON SIKH MISSION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Analysis of changes in net funds/(debt)

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	77,623	(21,234)	56,389
Bank overdrafts	(8)	-	(8)
	<u>77,615</u>	<u>(21,234)</u>	<u>56,381</u>
Loans falling due within one year	(195,390)	145,390	(50,000)
	<u>(117,775)</u>	<u>124,156</u>	<u>6,381</u>