

GURU NANAK SIKH TEMPLE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023



GURU NANAK SIKH TEMPLE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Gurmukh Singh Mr Santokh Singh Mr Malkit Singh Mr Piara Singh
Charity number	258487
Principal address	Sedgley Street Wolverhampton West Midlands WV2 3AJ
Auditor	BK Plus Audit Limited 29 Waterloo Road Wolverhampton West Midlands WV1 4DJ

GURU NANAK SIKH TEMPLE

CONTENTS

	Page
Trustees' report	1 - 7
Statement of trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 23

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The Guru Nanak Sikh Temple present their annual report and financial statements for the year ended 31 May 2023.

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)" (effective 1 January 2019).

Objectives and activities

The objectives of the Charity continue to be the furtherance of the Sikh Religion in accordance with the teaching of Sri Guru Granth Sahib Ji. The primary objective of the Charity is to enable those of a Sikh heritage, be it as initiated (baptised) Sikhs (known as Amritdhari) or those on the path of Sikhi aspiring to become Amritdhari at some point in their journey - to share a place of worship as part of the Sangat (congregation) in receiving the spiritual fulfilment of their mind and soul from the teachings of Sri Guru Granth Sahib Ji and Guru Ka Langar (communal kitchen serving blessed food) for the physical sustenance of their body.

The Charity prides itself on being able to extend its building and its volunteers' time to all members of the community. With over thirty years of selfless service from its current location, Guru Nanak Sikh Temple continues to be true to its core principles of love, compassion, sacrifice, service, truthfulness and forgiveness, which transcends the barriers of human frailties. These core teachings are best served by Sri Guru Nanak Dev Ji, the first Sikh Guru and founder of the Sikh faith - Naam Jappau - using the glorious praises of Waheguru (God) in all we do. Kirat Karo - use your Waheguru (God) given gifts to earn your keep, earn an honest living through hard work and endeavour. Van Shako - share your good fortune with those less fortunate, be it food, knowledge or just being there in their time of need.

This year the Charity's objectives were as follows:

1. Practice of Sikhi: to provide facilities to enable followers of the Sikh religion to practise their faith in a convenient and conducive environment in accordance to Sikh Rehat Maryada i.e. the principles and rules laid down by the Ten Gurus and Sri Guru Granth Sahib (The Holy Scriptures).
2. Celebration of key Sikh calendar events which commemorate and rejoice the Sikhi spiritual and martial spirit.
3. Education and sports: ensure the Charity delivers education on both the Sikh religion and Punjabi language, providing opportunities for sports and the distribution of non-faith information and education.
4. Community Focus and Public Benefit: focus on the community integration and diversity, the Temple has always been an 'open door' policy for all the community during its core hours of operation.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Public benefit

The Trustees have had due regard to the Charity Commission's guidance on public benefit. In particular, Guru Nanak Sikh Temple continues to provide public benefit in relation to the advancement of religion and of community development particularly through its education and youth activities which involves all members of the local community.

Volunteers

Many volunteers give up their time to help at the Gurdwara, particularly at weekends and in the evenings. We are greatly indebted to these volunteers for their commitment and support. Without our volunteers, the Charity would not be able to fulfil its obligations to the extent it manages so effectively.

Practice of Sikhi:

The Guru Nanak Sikh Temple currently has seven Granthis (Priests) who perform all the core religious services both at the Gurdwara premises and at the congregation's home dwellings. The Gurdwara is open daily between 4am to 9pm. Daily morning and evening services are conducted inside the Gurdwara.

Services and other practices according to the Sikh Rehat Maryada (Sikh Code of Conduct) are performed for Weddings, Birthdays, New born Name-Giving Ceremonies, Funerals and any other occasion according to the needs of the worshippers throughout the year.

Regular daily services/prayers are conducted at the following times:

Monday to Friday

4.00am to 10.00am (Nitnem and morning services)

6.00pm to 8.00pm (Rehras and evening services)

Friday, Saturday and Sunday

10.30am to 1.30pm (Sri Akhand Path Sahib)

The Gurdwara Management Committee has invited over 30 world renowned Kirtan (narrating, reciting and telling of Sikhi based compositions to music) and Jatha's (group of Sikh singers and musicians). Guru-ka-langar (free kitchen for all) - a key tenet of Sikh Code of Conduct, supported and kept running throughout the year.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Celebration of Sikhi and Sikh beliefs:

The Guru Nanak Sikh Temple celebrates all main events on the Sikh Calendar. All the major Gurburab (special religious anniversaries) and Sangrand services are held at the start of each month.

An annual Nagar Kirtan (the procession of the Sikh congregation led by Sri Guru Granth Sahib Ji through its local neighbourhood) in the month of April is organised to celebrate the birthday of the Sikh Nation - the Khalsa Panth. This has proved very popular not only amongst the Sikh populations, but also the wider local community. We have used this as a springboard as a means of interaction and dialogue with our local community. The Nagar Kirtan was attended by over 9,000 people who line the streets. The Guru Nanak Sikh Temple volunteers provide free refreshments and food to all members of the public who line up along the route. The event is covered by local English and Punjabi press as well as by Sikh TV and Radio Channels. The event is also an excellent example of working with a host of local service providers i.e. the police, council, inter-faith groups and neighbourhood meetings with

local businesses.

The Guru Nanak Sikh Temple funds and supports the Guru Nanak Khalsa College, which conducts Punjabi language classes in the premises every Saturday and Sunday. Approximately 800 students are currently on role and attend over the weekend. Thirty-eight-part time teaching staff are employed, every teacher commands Punjabi language skills to be able to teach children up to A Level standard.

In addition to Punjabi language teaching, the Guru Nanak Sikh Gurdwara provides Sikh educational classes which are open to all from the community:

1. Kirtan classes, Classical Sikh hymns recitals
2. Tabla and Harmonium classes. Learning to play musical instruments
3. Gurmat/Sikhi, weekly classes to teach the Sikh teachings and correct recital of the Holy Scriptures.
4. Weekly Gatka Class (Sikh Martial Arts for self-defense)
5. Wrestling and Karate classes have been running since April 2018.

Sikhi camps are run by the local youth group who are supported by the 'Sikh Helpline' (a nationwide Sikh free phone advisory support group which is staffed to help vulnerable children and adults). The camp is held every year during the summer school holidays, attendance grows every year with around 200 children participating in the various spiritual and general well-being activities which also incorporate sports. The camp is fully funded by the Temple and volunteers. Numerous classes are held both on Sikhi and also awareness classes around the dangers of drugs, violence and sexual exploitation related crimes etc. Specialist qualified speakers are invited to address the key subject matters.

Autism support for asian families

Autism is a lifelong developmental disability that affects how people perceive the world and interact with others. Autistic people see, hear and feel the world differently to other people. If you are autistic, you are autistic for life; autism is not an illness or disease and cannot be 'cured'. Often people feel being autistic is a fundamental aspect of their identity. Autism is not as well understood and recognised within Asian families as it should be. Guru Nanak Sikh Gurdwara has continued its support for a local charity - Hope & Compassion - who hold Autism and learning difficulty awareness events at the Gurdwara.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Achievements and performance

Review of performance

The following highlights some of the key results delivered during the year:-

Community focus and public benefit

A variety of events took place during the year to promote community diversity and integration for the greater public benefit.

The Gurdwara continued to host education visits, ranging from Primary Schools to Universities. On average the Temple entertains three to four visits in a week. The feedback we get is an inspiration for us all. These visits are in most cases invaluable for both us and the recipients who use it for their religious studies.

The Guru Nanak Temple held community fun day events which have been open to everyone in the local community and the turnout has exceeded expectations.

There were regular visits from the NHS and Public Health and Wellbeing organisations who promote health and safety, informing about healthy lifestyles and diets and hold blood donation sessions.

A local solicitor attended the Temple to provide free and impartial advice on a variety of legal matters. Gurdwara volunteers have worked closely with the staff of the local Compton Hospice to support and promote within the community the selfless service the Hospice provides to both the terminally ill and their loved ones.

The Gurdwara is a founding member and active participant as well as a supporter of the Sikh Council UK, the UK and Europe Sikh Gurdwara's umbrella body who act on behalf of the Sikh faith's supreme authority which is based in Amritsar, India.

No political conferences are held at the Temple.

Fund raising for good causes

The Gurdwara congregation has actively supported with both their personal financial donations direct to a number of charities and also with their participation in the following charitable events:-

Sikh Helpline - (A charity which helps and supports vulnerable Sikh and non-Sikh individuals). Supported a bike ride by the Sikh Helpline which concludes at the Gurdwara.

Children In Need - A number of the local Sikh Gurdwaras supported this national charity. A group of dedicated Sikhs and non-Sikhs undertook fundraising activities too, for which the Gurdwara congregation provided their personal financial donations.

Khalsa Aid - The Gurdwara has continued to provide a monthly direct debit donation to the charity which operates on a global scale. The charity is world renowned for their international disaster charity work wherever people have been affected by natural disasters by providing the basic necessities for human survival.

Nursery / school - The Gurdwara has leased a building for use as a children's nursery, operated by the independent body GNG Community Services Ltd. In addition to running the nursery, GNG Community Services Ltd facilitates six classrooms for the Khalsa School, where approximately 400 children receive Punjabi language education each year.

As part of the arrangement, these classroom facilities are provided to the Gurdwara free of charge. At the same time, the Gurdwara receives rental income from GNG Community Services Ltd, supporting its financial sustainability.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Khalsa College - Serving the Punjabi community.

Guru Nanak Khalsa College, Sedgley, Wolverhampton (GNKC) was started in 1989 by the Management Committee of Guru Nanak Sikh Gurdwara. Thanks to the commitment and dedication of successive Management Committees over the years, parents and the dedication of the staff, the numbers of pupils and the staff have doubled over the last ten years. We are very pleased and proud to announce that we now have over 800 pupils.

The parents bring their children to the college from as far as a 20 miles radius of our City of Wolverhampton. We have over 38 well qualified and experienced teaching staff who do not treat teaching at the College as their job, in fact they regard this as an opportunity to serve their community and work diligently towards keeping the Punjabi language, culture and above all the Sikh teachings alive and well for the generations to come. The main strengths of the college are the co-operation of the Managing Committee, the dedication and support of the parents, hardworking well qualified staff and of course the commitment of the pupils, whom we call the nuggets of gold and the treasure chest of the community. They are the ones who are preparing themselves today for the challenges of tomorrow in a world that is transforming our lives.

We have a culture of a big extended family in the College. The staff feel that pupils who attend GNKC are the part of our family whose every single member is entitled to have complete care and attention for his/her overall future success and welfare.

Tests are usually carried out twice a year, one in December and the final annual exam at the end of June. If a pupil is making good progress in his/her studies he/she is promoted to the next higher level in consultation with the parents and teachers during the year. However the impact of the pandemic this year meant that no exams were set for pupils, and grades were provided by teachers on the basis of classroom assessment.

Guru Nanak Khalsa College would endeavour to develop the capability and awareness of its students who will be able to pass on and promote the values of Sikhi to the next generation. The College would like to educate and inspire each of its students to be proud of our identity and spread the fundamental messages of our Gurus and inspire them to take higher Education and to be successful in the international job market.

Inspire each and every student to educate themselves professionally to raise the image of their family and the Sikh Nation as a whole in this very challenging world of job opportunities. Motivate and help all the Punjabis regardless of their religion to be able to speak, read and write Punjabi to keep our culture alive and well in the future. Inspire the students to learn Sikh history and have fundamental knowledge of Sikhi to spread the message of our Guru's and feel proud of their Sikh identity and heritage.

The current Management Committee 'School Manager' appointed representative has been instrumental in working with the college Principal and staff to introduce for the first time an accredited Sikhi focused Punjabi syllabus from the organisation Sikhi Resources - material that was unlike anything known previously and designed by PGCE qualified teachers. The Management Committee have supported nearly half a dozen Sikhi camps, this has been led by the School Manager who has been working in partnership with the RE department of GNKC, sharing responsibilities and camp schedules with a view to increasing the participation of GNKC students within the Gurdwara Sangat.

Financial review

The Trustee Committee consider the surplus achieved on its activities for the year to be positive.

The Statement of Financial Activities shows a surplus of £230,046 this year compared to a surplus of £334,471 in the previous year. The income increased by 16.14% this year and the costs for the running of the Temple increased by 52.89%.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Reserves policy

The Charity Trustees have developed a reserves policy that requires a minimum of six months of expenses to be held as reserves to ensure the Charity could continue in the short term initially if for some reason its major source of income (i.e. donations) ceased. As the majority of funds come from donations, it is felt that if these donations ceased that a six month period should be long enough to assess and put right the reasons for donations ceasing or to start looking for additional funding sources.

In addition, the reserves policy requires reserves to be built up to fund the development of The Sikh Heritage Centre at an estimated cost of approximately £5 million.

Unrestricted income funds of £10,359,366 includes a revaluation reserve of £1,748,30 at the 31st May 2023. However £7,268,715 of this balance is tied up in fixed assets. Uncommitted free reserves available for financing current activities, represented by significant funds held at the bank, therefore amounted to £3,090,651 which is in line with the policy explained above.

Risk assessment

The Trustees regularly review the major operational, business and financial risks which the Charity faces. Systems have been established to mitigate the significant risks where necessary, or continue to be developed as part of the review process. The Trustees ensure that all decisions are taken with the advice of experts, whether that is from a Solicitor, Accountant or Bank.

Plans for future periods

The Sikh Heritage Centre.

It's regrettable that this exciting and much needed new build has taken such a long time to commence when the plans were approved in November 2015. ACP Architecture Limited, a local firm based in Wolverhampton were awarded the contract to design and project manage through to completion the new build project. The Management Committee can announce that work has now commenced and demolishing tenders have been issued by Reade Buray Associates for the Charity.

The Charity will continue and increase its level of participation in the 'Interfaith' organisation with students from local education centres visiting to learn about Sikhi. There will also be greater participation with the local community including liaising with the nearby community centre and building partnerships with local schools.

An increase in car parking provision is being pursued with the local Councillor with a view to convert part or all of an open space along Baggot Street, which is opposite the current Gurdwara Car Park. As per the guidance of the Charity Commission five Singhs have been nominated by the trustees and approved by the congregation.

Conclusion

The Trustees and Management Committee remain indebted to all those who perform selfless services in the name of the Almighty. Our Ardaas (prayer) continues to be made for their blessings. We look forward to next year to further capitalise on the assets of the Charity and continue to deliver towards the needs of our growing beneficiaries.

Structure, governance and management

The Guru Nanak Sikh Temple is a charity located in Wolverhampton that serves the local community providing both faith and non-faith based services and support to over 12,000 beneficiaries. All aspects of the Gurdwara operations and management are premised on the foundations of Sikh teachings and principles.

The Guru Nanak Sikh Temple is dedicated to practising and promoting the Sikh religion in the name of the living eternal Sikh Guru, Sri Guru Granth Sahib Ji which is the embodiment of the Ten Sikh Gurus.

Governing document

The charity is an unincorporated organisation governed by its constitution adopted on 25th May 1969.

GURU NANAK SIKH TEMPLE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Trustees

The Charity is governed by four main Trustees, who oversee its compliance. Additionally, the Gurdwara is supported by a management committee consisting of twenty-five members.

Mr Gurmukh Singh

Mr Santokh Singh

Mr Malkit Singh

Mr Piara Singh

Structure and organisation

Since the inception of the constitution, the twenty-five-member Management Committee has been appointed every two years through an established process. This committee is the officially recognised governing body by both the Charity Commission and the Gurdwara Constitution. It holds full accountability for overseeing the Charity's day-to-day operations as well as its strategic direction.

Trustee induction and training

Advice for Trustees published by the Charity Commission is given to new Trustees and new guidance is notified and made available at Committee meetings.

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



Mr Gurmukh Singh

Trustee

27 March 2025

GURU NANAK SIKH TEMPLE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 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.

GURU NANAK SIKH TEMPLE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF GURU NANAK SIKH TEMPLE

Opinion

We have audited the financial statements of Guru Nanak Sikh Temple (the 'charity') for the year ended 31 May 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 May 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.

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.

GURU NANAK SIKH TEMPLE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GURU NANAK SIKH TEMPLE

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

From the preliminary of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business.

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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

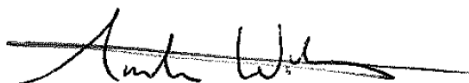
This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

GURU NANAK SIKH TEMPLE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF GURU NANAK SIKH TEMPLE

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Williams FCCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited

27 March 2025

29 Waterloo Road
Wolverhampton
West Midlands
WV1 4DJ

BK Plus Audit 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.

GURU NANAK SIKH TEMPLE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MAY 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Donations	2	888,163	765,629
Other income	3	1,068	-
Total income		889,231	765,629
Expenditure on:			
Charitable activities	4	658,771	431,158
Total expenditure		658,771	431,158
Net income and movement in funds		230,460	334,471
Reconciliation of funds:			
Fund balances at 1 June 2022		10,129,320	9,794,849
Fund balances at 31 May 2023		10,359,780	10,129,320

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 23 form an integral part of these financial statements.

GURU NANAK SIKH TEMPLE


BALANCE SHEET

AS AT 31 MAY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		5,442,610		5,297,286
Investment property	10		1,826,519		1,410,000
			<u>7,269,129</u>		<u>6,707,286</u>
Current assets					
Debtors	12	9,939		53,020	
Cash at bank and in hand		3,139,778		3,427,234	
		<u>3,149,717</u>		<u>3,480,254</u>	
Creditors: amounts falling due within one year	13	(59,066)		(58,220)	
Net current assets			<u>3,090,651</u>		<u>3,422,034</u>
Total assets less current liabilities			<u>10,359,780</u>		<u>10,129,320</u>
Net assets excluding pension liability			<u>10,359,780</u>		<u>10,129,320</u>
			<u><u>10,359,780</u></u>		<u><u>10,129,320</u></u>
The funds of the charity					
Unrestricted funds			<u>10,359,780</u>		<u>10,129,320</u>
			<u><u>10,359,780</u></u>		<u><u>10,129,320</u></u>

The notes on page 15 to 23 form an integral part of these financial statements.

The financial statements were approved by the Trustees on 27 March 2025



Mr Gurmukh Singh
Trustee

GURU NANAK SIKH TEMPLE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	16		280,285		545,710
Investing activities					
Purchase of tangible fixed assets		(42,481)		(177,214)	
Proceeds from disposal of tangible fixed assets		6,259		-	
Purchase of investment property	11	(531,519)		-	
Net cash used in investing activities			(567,741)		(177,214)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(287,456)		368,496
Cash and cash equivalents at beginning of year			3,427,234		3,058,738
Cash and cash equivalents at end of year			3,139,778		3,427,234

GURU NANAK SIKH TEMPLE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

Charity information

The Guru Nanak Sikh Temple is a charity located in Wolverhampton that serves the local community providing both faith and non-faith based services and support to over 12,000 beneficiaries. All aspects of the Gurdwara operations and management are premised on the foundations of Sikh teachings and principles.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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. The charity remains in a net asset position and holds cash reserves to more than sufficiently cover cashflow throughout the next 12 months even if unexpected events occur. Given this the Trustees continue to adopt the current concern basis of accounting and preparing these 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

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.

GURU NANAK SIKH TEMPLE

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

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

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	Not depreciated
Fixtures and fittings	10% straight line basis

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 property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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.

GURU NANAK SIKH TEMPLE

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

1 Accounting policies

(Continued)

1.10 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.

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

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

Derecognition of financial liabilities

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

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

GURU NANAK SIKH TEMPLE

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

2 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donation boxes - Golak	706,820	639,093
Donations	14,673	26,062
Gift Aid	73,299	24,062
Government grant income	13,957	15,058
Religious literature income	1,227	1,182
Investment income	78,187	60,172
	<u>888,163</u>	<u>765,629</u>

3 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	<u>1,068</u>	<u>-</u>

GURU NANAK SIKH TEMPLE

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

4 Expenditure on charitable activities

	Expenditure 2023 £	Expenditure 2022 £
Direct costs		
Staff costs	211,208	196,315
Depreciation	6,966	4,827
Religious literature	2,485	1,677
Premises expenses	165,239	71,771
Donations	5,200	3,390
Repairs and maintenance	46,839	24,382
Insurance	15,002	13,069
Cleaning, refuse and pest control	4,534	2,949
Motor vehicle expenses	4,501	3,117
Legal & professional fees	13,733	7,843
Auditor's remuneration	6,000	6,000
Langar	101,152	61,451
Office expenses	33,047	9,913
Bank charges	17,518	8,997
Advertising	3,321	500
Social activity & function expenses	14,397	8,008
Other charitable expenditure	7,629	6,949
	<u>658,771</u>	<u>431,158</u>
Analysis by fund		
Unrestricted funds	<u>658,771</u>	<u>431,158</u>

5 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	6,966	4,827
Profit on disposal of tangible fixed assets	<u>(1,068)</u>	<u>-</u>

6 Trustees

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

GURU NANAK SIKH TEMPLE

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

7 Employees

The average number of full time equivalent employees during the year was:

	2023 Number	2022 Number
Granthis (Priests)	7	7
Educational staff	15	14
Total	22	21

Employment costs

	2023 £	2022 £
Wages and salaries	197,469	181,836
Social security costs	11,524	13,161
Other pension costs	2,215	1,318
Total	211,208	196,315

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

8 Taxation

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

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2022	5,270,208	53,718	5,323,926
Additions	-	42,481	42,481
Disposals	-	(5,741)	(5,741)
Transfer from investment property	115,000	-	-
At 31 May 2023	5,385,208	90,458	5,475,666
Depreciation and impairment			
At 1 June 2022	-	26,640	26,640
Depreciation charged in the year	-	6,966	6,966
Eliminated in respect of disposals	-	(550)	(550)
At 31 May 2023	-	33,056	33,056
Carrying amount			
At 31 May 2023	5,385,208	57,402	5,442,610
At 31 May 2022	5,270,208	27,078	5,297,286

GURU NANAK SIKH TEMPLE

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

10 Investment property

	2023 £
Fair value	
At 1 June 2022	1,410,000
Additions through external acquisition	531,519
Transfer to freehold property	(115,000)
	<hr/>
At 31 May 2023	1,826,519
	<hr/> <hr/>

The investment property was revalued by independent Chartered Surveyors, Towler Shaw Roberts LLP, in September 2019, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The Trustees have been unable to revalue in the intervening period and have performed a desktop review on recent sales to ensure they are still materially correctly valued.

During the year one of the buildings held as an investment property has been reclassified as freehold property.

11 Revaluations

The carrying amount of all revalued freehold land and buildings and investment properties under the cost model would have been £3,719,245 (2022: £3,187,726).

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	-	34,587
Prepayments	9,939	18,433
	<hr/>	<hr/>
	9,939	53,020
	<hr/> <hr/>	<hr/> <hr/>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	3,628	3,175
Trade creditors	12,753	11,482
Other creditors	4,041	15,704
Accruals	38,644	27,859
	<hr/>	<hr/>
	59,066	58,220
	<hr/> <hr/>	<hr/> <hr/>

GURU NANAK SIKH TEMPLE

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

14 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,215	1,318

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

15 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 June 2022 £	Incoming resources £	Resources expended £	At 31 May 2023 £
Revaluation reserve	1,748,309	-	-	1,748,309
General funds	8,381,011	889,231	(658,771)	8,611,471
	<u>10,129,320</u>	<u>889,231</u>	<u>(658,771)</u>	<u>10,359,780</u>

Previous year:

	At 1 June 2021 £	Incoming resources £	Resources expended £	At 31 May 2022 £
Revaluation reserve	1,748,309	-	-	1,748,309
General funds	8,046,540	765,629	(431,158)	8,381,011
	<u>9,794,849</u>	<u>765,629</u>	<u>(431,158)</u>	<u>10,129,320</u>

16 Cash generated from operations

	2023 £	2022 £
Surplus for the year	230,460	334,471
Adjustments for:		
Gain on disposal of tangible fixed assets	(1,068)	-
Depreciation and impairment of tangible fixed assets	6,966	4,827
Movements in working capital:		
Decrease in debtors	43,081	189,909
Increase in creditors	846	16,503
Cash generated from operations	<u>280,285</u>	<u>545,710</u>

GURU NANAK SIKH TEMPLE

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

17 Analysis of changes in net funds

The charity had no material debt during the year.