

The Medway Towns Gurudawara Sabha Limited
Annual report
for the year ended 31 December 2004

Company Number: 894740



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The Medway Towns Gurudawara Sabha Limited

Annual Report for the year ended 31 December 2004

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The Medway Towns Gurudawara Sabha Limited

Council of Management and the Board of Directors

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Ram Singh	Chairman
Balbir Singh Dhudwar	Vice Chairman
Rai Singh	Secretary
Mota Singh Shokar	Assistant Secretary
Surinder Singh Kharaud	Treasurer
Balbir Singh Mahil	Vice Treasurer

Malkit Singh
Lakhvir Singh
Major Singh
Joginder Singh Dusanjh
Shinderlal Singh
Mohinder Singh Rakkar

Karnail Singh Dhillon
Jarnail Kaur
Kuldip Kaur
Balbir Kaur
Balwinder Kaur
Chain Singh Dhillon
Kashmir Singh Shokar

Registered office

Medway Towns Gurudawara (Sikh Temple)
Cossack Street
Rochester
Kent ME1 2EF

Registered auditors

Kambo & Co
109 - 111 Malling Road
Snodland
Kent ME6 5AB

Directors' report for the year ended 31 December 2004

The directors present their report and the audited financial statements for the year ended 31 December 2004.

Status

The Medway Towns Gurudawara Sabha Limited is a company limited by guarantee and a registered charity (No. 259740). It is governed by its Memorandum and Articles of Association and The Working Constitution of the Sabha (meaning Congregation). The Members of the Council of Management constitute Members of the Sabha and are appointed to serve as Directors.

Principal activity

The principal activity of the company is the promotion of the Sikh Religion and social and cultural interests of its members and their families.

Presentation of the financial statements

The financial statements are presented in the form required by the Statement of Recommended Practice – 'Accounting by Charities' ('SORP') issued by the Charity Commissioners. As permitted by Schedule 3 of the Companies Act 1985, the company has adjusted the format of the financial statements to include headings relevant to its activities in order to enable it to show a true and fair view.

Review of business

Results

A surplus of £21,645 (2003 : £ 15,925) was recorded in the year ended 31 December 2004 which raised accumulated funds at 31 December 2004 to £382,783 (2003: £361,138).

Reliance on volunteers and members

The Council of Management acknowledges that its objectives depends on volunteers and members of the Sabha who are available to provide support and assistance in the furtherance of its objectives. The Council of Management wishes to express its thanks to them and to all the organisations which provide it with its financial support and services in achieving its objectives.

**Directors' report
for the year ended 31 December 2004 (continued)**

Investment policy

The company continually reviews its cash position and deposits surplus funds in interest-earning deposit accounts.

Council of Management and Board of Directors

The names of the members of Council of Management and also the Board of Directors as at 31 December 2004 and at the date of this report are set out on page 1.

Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the statement of financial activities of the company for that year.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable Accounting Standards have been followed.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fixed Assets

The movement in fixed assets is shown in the notes to the financial statements. The value of the freehold property is considered to be in excess of the amount shown in the balance sheet, which is the original cost price.

**Directors' report
for the year ended 31 December 2004 (continued)**

Charitable Donations

During the year the company made donations for charitable purposes of £5,140. The donations were to the All India Pingalwara Society based in India of £2,140 and to The Guru Gobind NRI Trust in India of £3,000.

Taxation Status

The company is a registered charity and as such is not liable to tax on its surpluses.

Auditors

A resolution proposing the reappointment of Kambo & Co as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985.

ON BEHALF OF THE COUNCIL OF MANAGEMENT AND THE BOARD

RAM SINGH
Mr Ram Singh
Chairman
15 April 2005

**Report of the auditors to the members of
The Medway Towns Gurudawara Sabha Limited**

We have audited the financial statements on pages 6 to 11.

Respective responsibilities of directors and auditors

As described on page 3, the directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

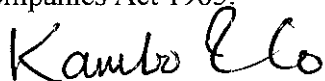
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its net incoming resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Kambo & Co

Chartered Accountants and Registered Auditors

Snodland

15 April 2005

The Medway Towns Gurudawara Sabha Limited

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Statement of financial activities for the year ended 31 December 2004

	Notes	2004 £	2003 £
Incoming resources			
Donations	2	60,775	49,314
Bank interest		4,639	3,738
Total incoming resources		<u>65,414</u>	<u>53,052</u>
 Resources expended			
Fundraising and publicity		1,130	2,377
Management and administration		37,499	31,434
Charitable donations		5,140	3,317
Total resources expended		<u>43,769</u>	<u>37,128</u>
 Net incoming resources for the year		21,645	15,925
Total funds brought forward		361,138	345,213
Total funds carried forward		<u>382,783</u>	<u>361,138</u>

The company has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented. The company's income and expenditure is all unrestricted.

All transactions relate to continuing operations.

**Balance sheet
as at 31 December 2004**

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	5	<u>169,441</u>	<u>164,399</u>
Current assets			
Debtors	6	-	-
Cash at bank		213,245	195,005
Cash in hand		<u>897</u>	<u>1,734</u>
		<u>214,142</u>	<u>180,371</u>
Creditors - amounts falling due within one year	7	<u>800</u>	-
Net current assets		<u>213,342</u>	<u>196,739</u>
Net assets		<u>382,783</u>	<u>361,138</u>
General funds	9	<u>382,783</u>	<u>361,138</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

The financial statements on pages 6 to 11 were approved by Council of Management and the board of directors on 15 April 2005 and were signed on its behalf by:

RAM SINGH
.....
Mr Ram Singh
Chairman
15 April 2005

Saivinder Singh
.....
Mr S S Kharaud
Treasurer
15 April 2005

Rai Singh
.....
Mr Rai Singh
Secretary
15/04/2005

**Notes to the financial statements
for the year ended 31 December 2004****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice – 'Accounting by Charities' (the 'SORP'). As permitted by Schedule 3 of the Companies Act 1985, the company has adjusted the format of the financial statements to include headings relevant to its activities in order to enable it to show a true and fair view. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The company prepares its financial statements in accordance with the historical cost convention.

Cash flow statement

The company has taken advantage of the small company exemption from preparing a cash flow statement as prescribed by Financial Reporting Standard No 1.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition, or market value if donated.

Depreciation is calculated on a straight-line basis from the beginning of the year of purchase at the following annual rates:

Freehold property	nil
Improvements to property	nil
Fixtures and equipment	15%

Income

Donations are credited to income as receivable and treated as unrestricted revenue, except where the provider specifically states that they relate to a future period, or a specific purpose, in which case the appropriate proportion is carried forward and included in deferred income or restricted revenue.

Donations in kind are accounted for at amounts attributed to the value of goods and services provided.

**Notes to the financial statements
for the year ended 31 December 2004 (continued)**

Where a grant is received as a contribution towards expenditure on fixed assets, the amount of the grant is treated as deferred income until the expenditure is incurred. Thereafter an amount equivalent to the depreciation of the related fixed asset is credited to the statement of financial activities.

Restricted funds

Where a grant or donation is received for a specific purpose, that income is treated as restricted revenue and is taken to a restricted fund. Each restricted fund is separately maintained and only used for the purposes specified by the donor. All other sources of income are treated as a contribution towards unrestricted funds.

2 Donations

	2004 £	2003 £
Unrestricted		
Donations in cash	60,175	48,714
Donations in kind – Audit fees	600	600
Total	60,775	49,314

3 Staff costs

The average monthly number of persons employed by the company during the year, including executive directors, was 20 (2003: 18). Directors remuneration is nil. Payments were made to 1 (2003 : 1) priest during the year as set out below.

	2004 £	2003 £
Employment costs for the above were:		
Salaries and fees	7,367	7,178

4 Surplus for the year

	2004 £	2003 £
The surplus for the year is stated after charging :		
Depreciation charge for the year	2,890	1,790
Auditors' remuneration - audit	600	600

**Notes to the financial statements
for the year ended 31 December 2004 (continued)**

5 Tangible fixed assets

	Freehold property £	Improvement of property £	Fixtures and equipment £	Total £
Cost				
At 1 January 2004	13,310	140,947	41,450	195,707
Additions during the year	-	-	7,722	7,722
At 31 December 2004	13,310	140,947	49,172	203,429
Depreciation				
At 1 January 2004	-	-	31,308	31,308
Charge for the year	-	-	2,680	2,680
At 31 December 2004	-	-	33,988	33,988
Net book value				
At 31 December 2004	13,310	140,947	15,184	169,441
At 31 December 2003	13,310	140,947	10,142	164,399

6 Debtors

	2004 £	2003 £
Prepayments	-	-
	<u>-</u>	<u>-</u>

7 Creditors: amounts falling due within one year

	2004 £	2003 £
Creditors	800	-
	<u>800</u>	<u>-</u>

**Notes to the financial statements
for the year ended 31 December 2004 (continued)****8 Share capital**

The company is limited by guarantee and has no share capital. In the event of a winding up, the Council of Management shall exercise their right to give and transfer the assets of The Sabha to the Shromani Gurudawara Parbanthak Committee, Amritsar, India or any other institution or institutions having a charitable objectives similar to the objectives of The Sabha.

9 General funds - unrestricted

	2004 £	2003 £
At 1 January 2004	361,138	345,213
Net movement of resources in the year	21,645	15,925
At 31 December 2004	<u>382,783</u>	<u>361,138</u>

10 Taxation

The company is registered as a charitable organisation under the Charities Act 1993 and is entitled to claim relief from charge to corporation tax.