

NANAKSAR THATH ISHER DARBAR
Annual Report and Financial Statements
For the Year Ended 31 MARCH 2017

Charity Number 1025988

NANAKSAR THATH ISHER DARBAR
ACCOUNTS
YEAR ENDED 31 MARCH 2017

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NANAKSAR THATH ISHER DARBAR

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

The trustees present their report and the Financial Statements of Nanaksar Thath Isher Darbar for the year ended 31 March 2017.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name Nanaksar Thath Isher Darbar
Charity registration number 1025988
Principal office Springfield Road
Hayes
UK
UB4 0LT

The trustees

The trustees who served the charity during the period were as follows:

Sant Baba Amar Singh Ji
Mr Amarjit singh
Mr Gursharan Singh
Mr Sukhdev Singh Nahal

Auditor RSA Associates
Accountants & Registered Auditors
First Floor
30 Merrick Road
Southall
Middlesex
England
UB2 4AU

Solicitor Freeths LLP
Cumberland Court
80 Mount Street
Nottingham
NG1 6HH

NANAKSAR THATH ISHER DARBAR

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Its key areas of activities during the year have been in the following:

- To further the Sikh Faith amongst the Sikh community in the United Kingdom and abroad.
- To further values of the Sikh Faith and raise awareness of Sikhism to the wider public across the world.
- To work at an International level with Civil Society Organisations in other countries on educational and development projects that helps to alleviate poverty.
- To work in partnership at a political as well as at a non-political level with United Kingdom and International statutory agencies and bodies on social welfare programmes to help alleviate poverty.
- To help raise and distribute funds for projects based overseas under the Trust's management.
- To advance the Sikh education and ethos of pupils at Guru Nanak Sikh Academy Ltd located in the United Kingdom.

Sant Baba Amar Singh Ji's mission (Chairman's Statement)

The Trust has continued to grow in strength and we have looked at the ongoing projects and the success of these in how they meet our objectives.

This year the Trust's initiative which involved organising sponsored marriages for poor families from all faith backgrounds has successfully progressed with donations from the worldwide community going towards utilities provided to the families.

The work of the NTIDT is to alleviate poverty and to emulate the teachings of the founder of Sikhism; Guru Nanak who emphasised equality for all irrespective of caste, gender or creed.

The Trust has also established schools for the poor and needy children from the slums in India which are functioning very well with the community's support. These are children who were never destined to be educated and are being supported through this cause.

We have always emphasised on education for all children to eradicate poverty. The educational centres and schools established by the NTID are successful throughout the world and amongst the leading institutions of their respective countries. New schools have now been opened in Hazur Saheb (Nanded, Maharashtra) and Nagpur and are developing very well to meet the needs of the local communities.

The success of these schools is being followed by educational centres being opened in Auckland, New Zealand next to the Sikh Gurdwara site. A recent inspection of the day care centres by ministry officials found the organisation and quality of the centres to be good in all areas. More religious studies and Punjabi classes have been set up in our Gurdwaras which act as a central point of support for many families. This is essential for those vulnerable in our societies who need a helping hand.

The 10th Guru (founder) of Sikhism; Guru Gobind Singh, stated 'recognise all humankind as one race'. This is one of the guiding themes which is followed by the countless volunteers and trustees and thus allows us to fulfil our duties to the poor and needy.

All of this great work could not have been possible without all the volunteers and community wholeheartedly giving their help and support. NTIDT also has links with Civil Society Organisations, Funding Agencies and

Representatives from the Department of International Development to help achieve their objectives. The Trust's objectives are to give individuals tools, knowledge and skills to make the changes in the world that are so much needed.

The Trust would welcome partnerships with those who are interested in making a difference and we are grateful to the many volunteers who have offered their time and services in helping us fulfil our aims and objectives.

Sant Baba Amar Singh Ji (Chairman of NTIDT)

Due to the expansive nature of works it had undertaken the process to update its governing documents to incorporate these expansive levels of activities. This it has done in consultation and agreement with the Charities Commission over the year. As a result of this the present Trustees of organisations within the U.K are:-

HAYES - AMARJIT SINGH
LETCHWORTH - GURSHARAN SINGH
WOLVERHAMPTON - GURSHARAN SINGH

An Example of where Education and our Sikh Ethos is evident is at Guru Nanak Sikh Academy

A proverb from the Guru Granth Sahib, Ang 356 "Contemplate and reflect upon knowledge and education and you will become a benefactor to others".

Known originally as Guru Nanak Sikh College, now as Guru Nanak Sikh Academy, the school was founded by Sant Baba Amar Singh Ji and opened in January 1993. Baba Ji listened to the voices of the people in the community, parents were anxious, concerned that their children would dispel into having no beliefs, forget their culture, lose self-worth and as a result become unknown to themselves as individuals in a society where a multitude of faiths exist.

The teachings and ethos of the school created students who excelled and produced excellent academic results. Students were motivated and took responsibility of their own actions. As a result the school achieved accolade and successfully achieved Voluntary Aided Status by Hillingdon Local Authority. In consequence of combined efforts from various bodies Guru Nanak Sikh Voluntary Aided Secondary School opened in September 1999 as the country's first and at the time only Sikh Secondary School. The school continued to grow in success in being designated a Leading Edge School in 2004 awarded by the Hillingdon Local Authority. The High Performing Specialist Schools Programme launched by the DCSF enables high performing secondary schools to play a central role with the education system. Three years later it made a successful application for Specialist School Status as a Business and Enterprise College in June 2010. During this time the school made an application to the newly elected coalition Government as an 'Outstanding' School which Ofsted fast tracked to award 'Academy' status, confirmed on 1st November 2010. From 1st September 2012 the Academy incorporated the Guru Nanak Sikh VA Primary School and admitted pupils from the age of 5 Yrs to 18 Yrs age range forming an all through Academy.

A three Phase Building Programme with complete refurbishment of the existing building and extensions lead to the Academy acquiring greatly improved educational facilities across the whole curriculum. The building programme concluded in the summer of 2011 resulted in the Academy expansion to a 6fe for Yr 7 starting September 2011.

Other educational centres founded by Nanaksar Thath Isher Darbar Trust

- **Garib Niwaj Delhi** - Guru Nanak Garib Niwaj Education Society in India: There now 900 students enrolled in GNGN Education Society. This school is run by the Trust to ensure that young children living in slums of Delhi and who belong to families living under the line of poverty from many generations, should have a secure and bright future. The school provides free facilities to these youngsters such as free books and stationary, free transport, free uniform and free food. Some of the visitors to the Garib Niwaj have stated that the facilities are better than in the independent schools in Delhi
- **Nanaksar Primary:** The Nanaksar Primary School in Hayes, a (Free School) originated due to the huge demand from parents in the community and surrounding areas, who wanted their children to be part of the success of Guru Nanak Sikh Academy. Due to limited school places at Guru Nanak Sikh Academy (Primary Phase), many parents were disappointed as their children were not offered a school place. In view of this, the organisation took action and applied to open a Free School, where the application presented proved to be successful. The Free School was named Nanaksar Primary School was funded by the EFA

(Education Funding Agency). The Free School (NPS) successfully opened in September 2013 with a 4fe reception intake. The year groups continue to achieve above national averages, where the current year groups Year 2 & Year 3 continue to achieve outstanding results.

To ensure the continuation of Nanaksar Primary, which is an outstanding school, the trustees entered into dialogue with the ESFA and the Charities Commission. This led to the necessity to ensure that with the support of ESFA, the loans on the site are cleared with the appointment of a new board of directors to oversee the building of the permanent Nanaksar Primary facilities.

- **Anand Isher Public School Punjab :** The school continues to play an integral part in the education of the youngsters in Punjab. The school has over 2200 students on roll and many of these youngsters enter higher education in areas such as business, medicine, economics and other highly sought after career pathways. The school is at the heart of the community and provides opportunities for students to practise their faith and help others in the wider community. Many of the students have moved abroad to take up reputable posts as a result of the excellent education and opportunities provided by the school.

Ensuring Sikh communities understand the message from the Guru Granth Sahib Ji

- **Parkash Smagam:** This is a three day annual event, held on the 15th, 16th and 17th July 2016 on the grounds of Guru Nanak Sikh Academy in Hayes, Middlesex. Performers and speakers from India / Canada / Europe attended the event. Students and ex-students from Guru Nanak Sikh Academy Ltd and Nanaksar Primary School opened the ceremony by reciting prayers and Kirtan. The parental community and the general public making up approximately 50,000 in number attended over the three days.

Exhibitions on Sikh history and interfaith conferences where Religious leaders who came together to discuss issues affecting all communities were also held for the community. The event provided an opportunity for all to unite and to work together in harmony with other organisations, to raise awareness about healthy lifestyles and how to embed the Sikh ethos amongst the local community. Representatives from the armed forces were also at the event to raise awareness about their services to the community. The event is highly anticipated by the community all over the UK and televised across the world.

- **Vaisakhi and Gurburab Celebrations:** The Guru Nanak Sikh Academy provides a platform for students to do selfless service and to practise Sikh values. The school calendar includes two key events; Vaisakhi in April and the Gurburab in November commemorating the birth of the founder of Sikhism. These special occasions are celebrated by staff, students and parents with organised religious performances hosted in the school Gurdwara. The school also organises Sikhi camps which invite guest speakers who lecture on current issues and British values practised by the Sikh community. Parents are hugely supportive and appreciative of the events and enjoy seeing their children perform and showcase their talents.

Helping the under privileged

- **Marriages of Poor Couples:** This hugely popular and highly successful venture has continued to grow from strength to strength this year also. The poorer community members in Delhi and Punjabi cannot afford to provide expenses for their wedding ceremonies. The Trust's objective was to provide them with an opportunity to make a positive start in their married life by following the traditions of society. Marriages of couples with families in poverty which prevents marriages going ahead. This would be better than a 'poor couple'. The beneficiaries are from different religious and caste backgrounds. The ceremonies are conducted in accordance with their own specific faith tradition and by religious priests from their communities. Essential utilities and other items are donated by the global community and from the local congregations. NTIDT plans to continue this valuable initiative which provides support to the most under privileged members of society.
- **Blankets – Delhi / Punjab:** Due to the severe weather conditions during the winter months, the Trust regularly distributes blankets for the poorer amongst the community in both Delhi and towns in Punjab. This embodies the spirit of selfless service which is held in high regard within the faith community
- **Filtration Plant:** The filtration plant was set up to provide clean water to the village of Barundi in Punjab (India) and this project has now been completed and is benefitting the villagers greatly. These types of projects are supported by the volunteers and helpers of the NTIDT.

Other Schools / Educational Programmes being successfully managed by Nanaksar Thath Isher Darbar Charity through its branches in different parts of the world

- Anand Isher Public School – Mandi Ahmedgarh, Punjab India
- Hazur Sahib - Nanded
- Anand Isher Partap College for Women in Barundi College for women in Chapar (Dist. Ludhiana)
- Anand Isher Public School & Anand Isher Mata Ganga College for women in Noormahal (Dist. Jalandhar)
- Nanaksar Education Phulwari, Auckland, New Zealand- The first Ministry of Education approved full day care centre by an Indian Charity in New Zealand. Started in April 2009, the Centre is licensed for 38 children, of 2-5 years age. The Centre is playing a pivotal role in educating children, parents and families.
- Nanaksar Educare Centre, Auckland, New Zealand – Started in March 2015, Nanaksar Educare Centre is licensed for 49 children of 0-5 years of age.
- Nanaksar Chardi Kala Learning Centre, Auckland, New Zealand – provides study support after school for primary and intermediate level children.
- Nanaksar Gurdwara – Wolverhampton UK
- Nanaksar Gurdwara- Melbourne, Australia

The Nanaksar Wolverhampton building extension project is now complete and includes new facilities for the Sikh community. The building expansion also includes the Sikh Museum; the top floor will include an additional Divan Hall enabling the Gurdwara to conduct multiple religious programmes simultaneously. The building will also accommodate en-suite rooms to offer family rooms for the community to use during religious events and weddings. This expansion will provide better services and facilities for the community and we would expect a significant increase in our revenue from this site.

Structure / Governance & Management

The Trust is an unincorporated trust established by Deed of Trust dated 7th January 1993 as amended by supplement Deed dated 12th July 2006.

Appointment of Trustees

The power to appoint Trustees is vested in the Board of Trustees as governed by the Governing document of the charity being its Trust Deed.

Trustee Induction and Training New Trustees undergo an orientation day to brief them of their legal obligations under Charity Law, the decision making processes, the Charity business plan and are informed of recent performances of the charity. During the induction day introductions are made with key personnel and other Trustee members. Trustees are encouraged to attend external training seminars to advance their knowledge and gain skills to equip them in their roles as Trustees.

Organisation of the Charity

The Trust and its members administer the Charity on a daily basis. The overall responsibility is given to the Chairman Sant Baba Amar Singh Ji who is assisted by the appointed Trustee's. The trustee's formally meet four times a year but individual Trustees maintain regular contact with the Charity staff and its volunteers.

Related Parties

Transactions with related parties are disclosed in note 23 of the accounts.

The various branches borrow and lend from / to each other and these related party transactions are treated as interest free loans that are to be returned on request subject to availability of funds. Due to an ongoing dispute with Nanaksar Thath Isher Darbar Canada, the debtor balance of £1,399,887 may not be recoverable and could possibly be treated as a donation if necessary recovery efforts are not successful.

Risk Management

The Trustees have a risk management strategy which comprises of:-

An annual review of the risks the Charity may face the establishment of systems and procedures designed to

minimize any potential impact on the Charity should those risks materialize.

This work has identified only a few minor risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. A key element in the management of financial risk is its regular reviews by the Trustees.

Grant Making Policy

We consider requests for grants and ensure the Charity objectives are outlined in financial reports.

Objectives and activities for Public Benefit

The results for the period are set out on page 11 – 12. These results show an increase in funds by £632,162 during the year.

Investment Powers

The Trustees investment powers are unrestricted.

HOW OUR OBJECTIVES AND ACTIVITIES DELIVERED PUBLIC BENEFIT: A REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The Trust Deed allows the Trustees to make grants to support any objects which are charitable and for the public benefit under the law of England and Wales. The Charity's principle activity continued to be the alleviation of poverty and raising awareness and literacy standards through the advancement of education and delivery of social welfare programmes, financed by income derived from Trustees' fund raising initiatives. The Trustees' primary focus is on the advancement of education and promotion of values enshrined in the Sikh faith such as, patience, tolerance, forgiveness, peaceful co-existence (community cohesion), welfare of all (Sarbat da Bhalla) and equality. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and policies for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements of the Charity 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (Accounting and Reporting by Charities issued in 2005 (revised May 2008)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
-

The Trustees are responsible for keeping proper 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 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.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Charity Commission Statutory Inquiry

Charity Commission has opened on 12th April 2016, a statutory inquiry into the Trust under section 46 of the Charities Act 2011 and they have the following regulatory issues and concerns:-

- 1) Delay in the submission of Trust's Annual Reports and Accounts for the years ending 31 March 2014 & 31 March 2015.

Trust's response: -

1) Accounts for the years 31st March 2014, 31st March 2015 and 31st March 2016 have been submitted now. Accounts for March 2017 are now ready to submit ahead of the deadline.

2A) Issues arising from the purchase of freehold land formerly used as football ground. The Trust purchased this site on 14th July 2014 for £1.4m to build a school there but could not obtain the planning permission due to the site having an underground gas pipe line.

Trust's response: - The trustees are continuing with the process of making a claim for professional negligence against the solicitors who represented them at the time and did not provide advice regarding the gas pipe line which resulted in the site being deemed not suitable for a free school. The building on this site is being used as Gurdwara which hosts religious events and ceremonies and is generating an income in the region of £300,000pa from donations to fund the Trust objectives. The Gurdwara continues to serve the community and has been productive in operating its charitable activities by raising the profile of Sikhism in the community and raising funds from numerous religious events.

2B) This site was used as a car park without obtaining planning permission and failed to comply with Enforcement notice

Trust's Response: This matter has been satisfactorily resolved now with all parties concerned.

- 3) Repayments of outstanding borrowings are in arrears which is a risk to Trust's beneficiaries

Trust's Response: - The current external (other than sister concerns) borrowings have been reduced significantly and include a total of £1.861k paid to Lloyds and £388k paid to Punjab National Bank by the Trust. The discussions with the Department for Education (DfE) and Education Funding Agency (EFA) have progressed very positively resulting in the approval of one of the proposals set forward by the DfE. The Department will provide a grant of 2.76m (subject to ministerial consent and other conditions set out in the proposal) and this amount will repay the total outstanding borrowings against the GNSA site and conclude matters with the two lenders.

To date the Trust has adhered to the payment plan enforced by the Banks and DfE, continuing to fulfil its financial obligations.

Moving forward the Trust is considering consolidating the remaining borrowings and negotiating a single repayment amount at a lower interest rate.

Apilla loan is being investigated by the Trust with a view to re-negotiate the final settlement figure and replace this with a cheaper loan. Trustees consider the settlement figure to be less than the liability shown in the accounts, hence, no further interest accrual is required for this loan.

- 4) As and when the statutory inquiry by Charity Commission is concluded the Trust has decided to increase the number of Trustees. The New Trustees will have professional qualifications, based on experience with regards to Finance, Commerce and appropriate skills to ensure the effective management and compliance of the Trust.

Auditor

A resolution will be proposed at the Trustees' meeting that RSA Associates be re-appointed as Auditor to the Charity for the ensuing year.

Approved by the Trustees on 17th January 2018 and signed on their behalf by



Amarjit Singh (Trustee)

NANAKSAR THATH ISHER DARBAR

Independent Auditor's Report to the Trustees of Nanaksar Thath Isher Darbar

We have audited the financial statements of Nanaksar Thath Isher Darbar ("the charity") for the year ended 31 March 2017, set out on pages 11 to 21 which comprise the Statement of Financial Activities, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act. 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.

Respective responsibilities of the Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7 to 8, the Trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's ("APB's") Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

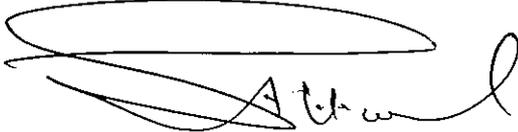
In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion;

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



RSA Associates
Accountants and Registered Auditors
First Floor 30 Merrick Road
Southall
UB2 4AU

Date: 17th January, 2018

RSA Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

NANAKSAR THATH ISHER DARBAR

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	4	1,188,170	-	1,188,170	651,172
Activities for generating funds	5	156,104	-	156,104	137,487
Investment income	6	-	-	-	-
Other incoming resources	7	51,731	-	51,731	-
TOTAL INCOMING RESOURCES		1,396,005	-	1,396,005	788,659
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	8	(117,577)	-	(117,577)	(55,348)
Charitable activities	9/10/11	(381,114)	-	(381,114)	(605,777)
Governance costs	12	(265,152)	-	(265,152)	(42,665)
TOTAL RESOURCES EXPENDED		(763,843)	-	(763,843)	(703,790)
NET INCOMING RESOURCES FOR THE YEAR	13	632,162	-	632,162	84,869
RECONCILIATION OF FUNDS					
Total funds brought forward		2,094,504	33,822,534	35,917,038	35,832,169
TOTAL FUNDS CARRIED FORWARD		2,726,666	33,822,534	36,549,200	35,917,038

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

All of the above amounts relate to continuing activities.

NANAKSAR THATH ISHER DARBAR

STATEMENT OF FINANCIAL POSITION

31 MARCH 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	15	42,343,982	42,314,271
CURRENT ASSETS			
Debtors	16	1,617,638	1,507,638
Cash at bank and in hand		221,983	112,699
		<u>1,839,621</u>	<u>1,620,337</u>
CREDITORS: Amounts falling due within one year	17	<u>(4,864,446)</u>	<u>(4,737,992)</u>
NET CURRENT ASSETS/(LIABILITIES)		(3,024,825)	(3,117,655)
TOTAL ASSETS LESS CURRENT LIABILITIES		39,319,157	39,196,616
CREDITORS: Amounts falling due after more than one year	18	<u>(2,769,957)</u>	<u>(3,279,578)</u>
NET ASSETS		<u>36,549,200</u>	<u>35,917,038</u>
FUNDS			
Restricted funds	19	33,822,534	33,822,534
Unrestricted income funds	20	2,726,666	2,094,504
TOTAL FUNDS		<u>36,549,200</u>	<u>35,917,038</u>

These financial statements were approved by the Board of Trustees and authorised for issue on the 17th January, 2018 and are signed on their behalf by:



Amarjit Singh (Trustee)

The notes on pages 14 to 21 form part of these financial statements

NANAKSAR THATH ISHER DARBAR

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net income	632,162	84,869
Adjustment for:		
Depreciation of tangible fixed assets	2,441	0
Dividends, interest and rents from investments	(205,895)	(238,548)
Changes in:		
Trade and other debtors	(110,000)	49,419
Trade and other creditors	(383,167)	(61,045)
Cash generated from operations	<u>(64,459)</u>	<u>(165,305)</u>
Net cash from operating activities	<u>(64,459)</u>	<u>(165,305)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	205,895	238,548
Purchase of tangible assets	(32,152)	0
Net cash used in investing activities	<u>173,743</u>	<u>238,548</u>
Net increase in cash and cash equivalents	109,284	73,243
Cash and cash equivalents at beginning of year	<u>112,699</u>	<u>39,456</u>
Cash and cash equivalents at end of year	<u>221,983</u>	<u>112,699</u>

The notes on pages 14 to 21 form part of these financial statements

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

The charity is registered charity in England and Wales and is unincorporated.

The address of the principal office is

Springfield Road
Hayes
UK
UB4 0LT

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" ("published in 2015") and the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

The going concern issues have been dealt with in the Trustees' Report on Page 6 (Related Parties), Page 8 (Points 3 and 4) of Charity Commission Statutory Inquiry.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2016. Details of how FRS 102 has affected the reported financial position and financial performance are given in note 25.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the managing trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in notes 19 to 21.

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	25% (Straight Line Basis)
Fixtures & Fittings	-	NIL

Governance costs

Governance cost includes cost incurred in respect of organisational management and compliance with constitutional and statutory requirements.

Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £200 are not capitalised.

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

4. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Donations				
Unrestricted Donations	1,188,170	-	1,188,170	651,172
Building Fund	-	-	-	-
India School	-	-	-	-
Grants receivable				
Building Grant	-	-	-	-
	<u>1,188,170</u>	<u>-</u>	<u>1,188,170</u>	<u>651,172</u>

5. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Fundraising Events-Prakash	<u>156,104</u>	<u>156,104</u>	<u>137,487</u>

6. INVESTMENT INCOME

	Total Funds 2017 £	Total Funds 2016 £
Bank interest receivable	<u>-</u>	<u>-</u>

7. OTHER INCOMING RESOURCES

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Gift Aid Receipts	<u>51,731</u>	<u>51,731</u>	<u>-</u>

8. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Prakash	<u>117,577</u>	<u>117,577</u>	<u>55,348</u>

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

9. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Charitable activity (School Trip)	-	-	-

10. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	School Trip to India £	Total Funds 2017 £	Total Funds 2016 £
Charitable activity (School Trip)	-	-	-

11. COST OF CHARITABLE ACTIVITY

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Salaries and wages (including social security costs)	39,237	39,237	52,108
Premises costs	131,143	131,143	141,087
Bank Charges and Interest	205,895	205,895	238,548
Depreciation	2441	2441	
Donations Out	-	-	157,170
Advertising	1,510	1,510	3,100
Sundry Expense	888	888	13,764
	<u>381,114</u>	<u>381,114</u>	<u>605,777</u>

12. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Accountancy fees	15,140	15,140	4,896
Audit fees	3,000	3,000	3,000
Legal & Professional	247,012	247,012	34,769
	<u>265,152</u>	<u>265,152</u>	<u>42,665</u>

13. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2017 £	2016 £
Depreciation	-	-
Auditors' remuneration:		
- audit of the financial statements	3,000	3,000

An amount of £4,800 (2016 - £4,800) was paid to RSA Associates (Auditors) for Accountancy Services.

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

14. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	38,700	51,726
Social security costs	537	382
	<u>39237</u>	<u>52,108</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

2017	2016
5	6

No employee received remuneration of more than £60,000 during the year (2016 - Nil).

15. TANGIBLE FIXED ASSETS

	Leasehold Land £	Freehold property £	Equipment £	Fixtures & Fittings £	Total £
COST					
At 1 April 2016	140,000	42,174,271	126,905	296,881	42,738,057
Additions	-	22,387	9,765	-	32,152
At 31 March 2017	<u>140,000</u>	<u>42,196,658</u>	<u>136,670</u>	<u>296881</u>	<u>42,770,209</u>
DEPRECIATION					
At 1 April 2016	-	-	126905	296881	423,786
Charge for the year	-	-	2441	-	2441
At 31 March 2017	<u>-</u>	<u>-</u>	<u>129346</u>	<u>296881</u>	<u>426,227</u>
NET BOOK VALUE					
At 31 March 2017	<u>140,000</u>	<u>42,196,658</u>	<u>7324</u>	<u>0</u>	<u>42,343,982</u>
At 31 March 2016	<u>140,000</u>	<u>42,174,271</u>	<u>0</u>	<u>0</u>	<u>42,314,271</u>

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

The managing Trustees consider that depreciation charge and the accumulated depreciation of freehold buildings are not material because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount of the assets. For this reason the freehold building are not depreciated in accordance with the SORP.

The managing Trustees review the useful economic lives and residual values of freehold buildings on an annual basis.

16. DEBTORS

	2017 £	2016 £
Amounts owed by related parties (Note 23)	1,399,887	1,399,887
Other debtors	217,751	107,751
	<u>1,617,638</u>	<u>1,507,638</u>

17. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	4,686,205	4,525,988
DFE Loan	58,225	36,319
Trade creditors	45,649	6,000
Taxation and social security	3,206	3,528
Other creditors	3,361	150,557
Amounts owed to related parties (Note 23)	60,000	-
Accruals	7800	15,600
	<u>4,864,446</u>	<u>4,737,922</u>

18. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
DFE Loan	441,410	482,858
Bank loans and overdrafts	-	1,465,094
Amounts owed to related parties (Note 23)	2,328,547	395,826
Other creditors	-	935,800
	<u>2,769,957</u>	<u>3,279,578</u>

19. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2016 and at 31 Mar 2017 £
Building Fund	<u>33,822,534</u>

There have been no movements on restricted funds during the year ended 31 March 2017.

NANAKSAR THATH ISHER DARBAR

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

20. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2016	Incoming resources	Balance at 31 Mar 2017
	£	£	£
General Funds	<u>2,094,504</u>	<u>632,162</u>	<u>2,726,666</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Restricted funds:	£33,822,534
Unrestricted funds:	£2,726,666

22. RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET DEBT

	2017	2016
	£	£
Increase / (Decrease) in cash in the period	109,284	73,243
Cash outflow / (inflow) from loans	<u>1,324,419</u>	<u>72,141</u>
Change in net debt	1,433,703	145,384
Net debt at 1 Apr 2016	<u>(6,397,560)</u>	<u>(6,542,944)</u>
Net debt at 31 Mar 2017	<u>(4,963,857)</u>	<u>(6,397,560)</u>

23. ANALYSIS OF CHANGES IN NET DEBT

	1 Apr 16	Cash flows	31 Mar 17
	£	£	£
Cash in hand and at bank	112,699	109,284	221,983
Overdrafts	-	-	-
	<u>112,699</u>	<u>109,284</u>	<u>221,983</u>
Debt due	<u>(6,510,259)</u>	<u>1,324,419</u>	<u>(5,185,840)</u>
	<u>(6,397,560)</u>	<u>1,433,703</u>	<u>(4,963,857)</u>

24. RELATED PARTY TRANSACTIONS

Amounts owed by related parties include an amount of £1,399,887 (2016 - £1,399,887) due from Nanaksar Thath Isher Darbar, Canada and an amount of £107,751 (2016 - £107,751) due from Hayes School. Creditors (falling due after more than one year) include an amount of £185,392 (2016 - £205,148) received from Guru Nanak Sikh Academy, an amount of £190,678 (2016 - £190,678) received from The New Zealand Nanaksar Thath Isher Darbar, an amount of £1,894,961 received from Anand Isher (Australia) and an amount of £105,136 (2016 - £105,136) received from Mr SS Nahal. These are related parties by virtue of the fact that these institutions have one or more than one common Trustees.

25. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2016.

No transitional adjustments were required in the retained funds or income or expenditure for the year.