

JAIN SAMAJ - MANCHESTER

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2019

JAIN SAMAJ - MANCHESTER

TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

	Page
Association Information	1
Trustees' Report	2,3
Trustees' Responsibilities	4
Honorary Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Accounting Conventions and Accounting Policies	8
Notes to the Financial Statements	9-13

JAIN SAMAJ - MANCHESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report along with the financial statements of the charity for the year ended 31 December 2019.

This report is prepared in accordance with the Association's constitution and the Charities SORP (FRS 102) - Update Bulletin 1 issued in February 2016.

Objects

The trust deed defines the charity's objects as being:

- 1 To promote and advance the Jain Religion.
- 2 To provide appropriate facilities for religious worship, to celebrate religious festivals and to organise meetings and lectures.
- 3 To educate the children of members in the Jain Religion and their mother tongue.
- 4 To provide relief for the followers of the Jain Religion who are in necessitous circumstances.
- 5 To promote the benefit of the local communities in Manchester regarding social welfare, recreation and other leisure activities.
- 6 To promote any charitable purpose throughout the world.

Public Benefit

The trustees believe that, in providing the various religious events during the year free to all participants, they are fulfilling their public benefit obligations as required under Section 4 of the Charities Act 2011 and the subsequent guidance published by the Charity Commission.

Organisation

The members of the community elect a trustee board at the Annual General Meeting each year. The board consists of fifteen members, as listed on page 1. In turn, the board elects an executive committee comprising the honorary officers of the trust and also listed on page 1.

The committee as a whole has the responsibility to manage the day-to-day operations of the charity and its activities. It manages the charity collectively by holding regular meetings throughout the year.

The committee as a whole manages the risks to which the charity is exposed collectively. Suitable controls and procedures have been implemented to mitigate these risks.

The charity's building has seven titleholders, comprising the seven individuals named on page 1. None of the so-called building trustees plays any part in the actual management of the charity.

Achievements

The charity provided weekly religious services throughout the year. In addition, all of the various festivals were celebrated with enthusiasm by the community. The trustees also achieved recognition for the cultural centre as an appropriate venue for the celebration of civil marriages.

JAIN SAMAJ - MANCHESTER

**REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Financial Review

In respect of the association's unrestricted funds, a surplus of £6,769 was achieved for the year.
In respect of the association's restricted funds a surplus of £41,308 was achieved for the year.

Future Plans

The trustees anticipate the further development of the structural facilities just as soon as funds permit, in addition to the provision of extra facilities within the existing structure. The trustees are also giving serious consideration to the conversion of the charity from a charitable trust to a charitable incorporated organisation (CIO) now that the statutory powers are available.

Reserves Policy

The charity's free reserves amount to £60,699. These represent over nine months unrestricted expenditure. The trustees' target is to hold sufficient free reserves to be able to cover twelve months unrestricted expenditure.

Investment Policy

All liquid assets of the trust are invested in fixed deposits and risk -free investments.

Trustees' Declaration

In accordance with charity law, as trustees, we certify that:-

So far as we are aware, there is no relevant financial information of which the charity's independent examiner is unaware.

We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant financial information and to establish that the charity's independent examiner is aware of that information.

Independent Examiner

Devshi Chothani, Chartered Accountant, was appointed as the independent examiner of the association during 2008 and he has expressed his willingness to continue in that capacity.

Approval of the Report

This report has been prepared in accordance with the Charities SORP (FRS 102) -Update Bulletin 2 issued in October 2018 and the Charities Act 2011.

It was approved by the trustees on 31 May 2020 and is signed on their behalf by:-
Sailesh Patel (President) and Falguni Mehta (Treasurer).

Date: 31/5/2020

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019

Trustees' responsibilities in relation to the Financial Statements

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 charity's financial activities during the year and of its financial position at the year end. In preparing those financial statements, the trustees are required:

- to select suitable accounting policies and then apply them consistently;
- to make judgements that are reasonable and prudent;
- to state whether applicable accounting standards and statements of recommended practice have been followed subject to any departure disclosed and explained in the financial statements; and
- to prepare the financial statements on the on-going concern basis unless it is inappropriate to presume the charity will continue in business.

The trustees are responsible for keeping accounting records which 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

In respect of the independent examination, the trustees have a responsibility to ensure that they take all steps necessary in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
JAIN SAMAJ - MANCHESTER (CHARITY NUMBER 511076 ENGLAND AND WALES)
FOR THE YEAR ENDED 31 DECEMBER 2019

Independent Examiner's Report to the Trustees on the Financial Statements

I, Devshi Chothani, report on the Financial Statements of the charity for the year ended 31 December 2018 as set out on pages 6 and 7 together with the notes on pages 8 to 13.

Respective responsibilities of the Trustees and the Examiner

The charity's trustees are responsible for the preparation of the Financial Statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility as the Independent Examiner:

- to examine the Financial Statements under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act);
- to state whether particular matters have come to my attention.

Basis of the Independent Examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the Financial Statements presented with those records. It also includes consideration of any unusual items or disclosures in the Financial Statements and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the Financial Statements present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination no material matters have come to my attention which gives me cause to believe that, in any material respect,

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the Financial Statements did not accord with the accounting records; or
- the Financial Statements did not comply with the applicable requirements concerning the form and content of Financial Statements set out in the Charities (Accounts and Reports) Regulations 2008, other than any requirement that the Financial Statements give a "true and fair" view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



DEVSHI CHOTHANI
Chartered Accountant
Director of DBF Associates Ltd
10 Park Place
Manchester M4 4EY

Date 31 May 2020

JAIN SAMAJ - MANCHESTER

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total £	2018 Total £
Incoming Resources from:					
Charitable Activities	3	5,387	-	5,387	2,091
Other Sources	4	80,576	83,211	163,787	237,670
Total Incoming Resources		<u>85,963</u>	<u>83,211</u>	<u>169,174</u>	<u>239,671</u>
Resources Expended on:					
Raising Funds	5	-	3,269	3,269	-
Charitable Activities	6	79,204	38,634	117,838	86,791
Total Resources Expended		<u>79,204</u>	<u>41,903</u>	<u>121,107</u>	<u>86,791</u>
Net Incoming Resources		6,759	41,308	48,067	152,880
Transfer between Funds	7	(29,615)	29,615	-	-
Net Incoming/(Outgoing) Resources after Transfer		<u>(22,856)</u>	<u>70,923</u>	<u>48,067</u>	<u>152,880</u>
Total funds at 1 January 2019		<u>83,555</u>	<u>157,480</u>	<u>1,654,035</u>	<u>1,501,155</u>
Total funds at 31 December 2019		<u>60,699</u>	<u>1,641,403</u>	<u>1,702,102</u>	<u>1,654,035</u>

JAIN SAMAJ - MANCHESTER

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total £	2018 Total £
<u>FIXED ASSETS</u>					
Tangible Fixed Assets	8	-	1,736,093	1,736,093	1,496,858
<u>CURRENT ASSETS</u>					
Cash at Bank & In Hand		60,699	65,463	126,162	317,330
TOTAL ASSETS		<u>60,699</u>	<u>1,801,556</u>	<u>1,862,255</u>	<u>1,814,188</u>
<u>LESS: MEDIUM TERM LIABILITIES</u>					
Loans		-	160,153	160,153	160,153
NET ASSETS		<u>60,699</u>	<u>1,641,403</u>	<u>1,702,102</u>	<u>1,654,035</u>
<u>UNRESTRICTED FUNDS</u>					
General Fund	9	50,335	-	50,335	73,666
Designated Fund	9	10,364	-	10,364	9,889
Total		<u>60,699</u>	<u>-</u>	<u>60,699</u>	<u>83,555</u>
<u>RESTRICTED FUNDS</u>					
Building Fund	10	-	1,625,137	1,625,137	1,559,236
Jiv Daya Fund	10	-	6,735	6,735	2,525
Education Fund	10	-	8,316	8,316	7,981
Arhat Touch Fund	10	-	1,215	1,215	738
Total		<u>-</u>	<u>1,641,403</u>	<u>1,641,403</u>	<u>1,570,480</u>
TOTAL FUNDS		<u>60,699</u>	<u>1,641,403</u>	<u>1,702,102</u>	<u>1,654,035</u>

Approved by the Trustees on 31 May 2020


Hiren Vora (President) and Signed on their behalf


Falguni Mehta (Treasurer)

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Conventions

1.1 BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention and in accordance with the Charities (Accounts and Reports) Regulations 2008, the Charities Act 2011 and the Charities SORP (FRS 102) - Update Bulletin 2 issued in October 2018.

1.2 GOING CONCERN CONCEPT

The Financial Statements have been compiled on the assumption that the charity will be a going-concern for at least twelve months from the date of this report.

1.3 SOFA MINOR MODIFICATION

The trustees have opted to modify the SOFA slightly by grouping all incoming resources, other than those derived from Charitable Activities, under the generic heading "Other Sources" in order to avoid any potential confusion that could arise from the use of the heading "Donations and Legacies".

2 Accounting Policies

2.1 INCOME

- a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.
- b) Grants, including any grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

2.2 EXPENDITURE

- a) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- b) Resources expended are allocated to the particular activity where the cost relates directly to that activity.
- c) The trust only incurs governance costs in respect of legal costs associated with either the constitution or the title deeds to the property.

2.3 ASSETS

- a) Expenditure on fixed assets above £500 is capitalised. Despite all expenditure having been funded entirely from restricted funds, depreciation is charged according to standard accounting practice on the following basis:-

Freehold Land	Not depreciated
Long Leasehold Land	50 year life from 2018
Freehold Building (Hall)	50 year life from 2003
Freehold Building (Annexe)	50 year life from 2020
Building Improvements	20 year life from execution
Furniture & Fittings	10 year life from acquisition
Sports Equipment	4 year life from acquisition

- b) Development expenditure is capitalised as and when it is incurred. Depreciation thereon is only charged, however, on the completion of the associated capital project.

2.4 FUNDS

- a) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- b) Designated funds are unrestricted funds which have been specifically earmarked by the executive committee for particular purposes.
- c) Restricted funds are funds to be used for specific purposes as laid down either by the donor or by the terms of the appeal. Expenditure which meets these criteria is charged to those funds.

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

	UNRESTRICTED FUNDS		RESTRICTED		
	General	Designated	FUNDS	OVERALL	2018
	Fund	Funds	TOTAL	TOTAL	TOTAL
	£	£	£	£	£

NOTE 3

**INCOMING RESOURCES
FROM CHARITABLE ACTIVITIES**

Coach Trips	-	531	531	-	531	533
Diwali Cultural Programme	3,404	-	3,404	-	3,404	500
Other Social Activities	-	1,452	1,452	-	1,452	968
Total	<u>3,404</u>	<u>1,983</u>	<u>5,387</u>	<u>-</u>	<u>5,387</u>	<u>2,001</u>

NOTE 4

**INCOMING RESOURCES
FROM OTHER SOURCES**

4.1 From Members:

Membership Subscriptions	9,690	-	9,690	-	9,690	8,185
Donations	9,120	7,301	16,421	50,972	67,393	106,374
Gift Aid	-	-	-	9,232	9,232	23,226
Total	<u>18,810</u>	<u>7,301</u>	<u>26,111</u>	<u>60,204</u>	<u>86,315</u>	<u>137,785</u>

4.2 Fundraising Event	-	-	-	21,901	21,901	-
4.3 Sale of Electricity	2,431	-	2,431	-	2,431	3,685
4.4. Hall Hire	35,578	-	35,578	-	35,578	23,995
4.5 Annexe Hire	15,768	-	15,768	-	15,768	-
4.6 Miscellaneous Income	688	-	688	-	-	25
4.7 Bank Interest Received	-	-	-	1,106	1,106	2,180
4.8 Grant Received	-	-	-	-	-	70,000
Total	<u>54,465</u>	<u>-</u>	<u>54,465</u>	<u>23,007</u>	<u>76,784</u>	<u>99,885</u>
OVERALL TOTAL	<u>73,275</u>	<u>7,301</u>	<u>80,576</u>	<u>83,211</u>	<u>163,787</u>	<u>237,670</u>

NOTE 5

**RESOURCES EXPENDED ON
RAISING FUNDS**

Total Cost of Staging Event	-	-	-	3,269	3,269	-
-----------------------------	---	---	---	-------	-------	---

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

	UNRESTRICTED FUNDS			RESTRICTED FUNDS	OVERALL	2018
	General Fund	Designated Funds	Total	TOTAL	TOTAL	TOTAL
	£	£	£	£	£	£
NOTE 6						
RESOURCES EXPENDED ON CHARITABLE ACTIVITIES						
6.1.1 Direct Charitable Expenditure						
Prasad Expenses	17,736	-	17,736	-	17,736	15,910
Jiv Daya	-	-	-	1,600	1,600	-
Donations	1,033	-	1,033	-	1,033	4,897
Mahila Mandal	-	2,914	2,914	-	2,914	1,440
Youth Expenses	-	1,232	1,232	-	1,232	-
Arhat Touch Expenses	-	-	-	2,593	2,593	1,930
Social Expenses	-	550	550	-	550	471
Diwali Cultural Programme	3,357	-	3,357	-	3,357	-
Travel/Coach Trips	-	3,643	3,643	-	3,643	3,060
Other Direct Expenses	1,936	-	1,936	-	1,936	556
Total	24,062	8,339	32,401	4,193	36,594	28,264
6.1.2 Facilities Support Costs						
Caretaking and Security	25,455	-	25,455	-	25,455	22,092
Cleaning and Waste Disposal	1,747	-	1,747	-	1,747	-
Light & Heat	10,763	-	10,763	-	10,763	8,346
Repairs	-	-	-	10,717	10,717	6,308
Minor Equipment	847	-	847	-	847	-
Rates & Water	2,603	-	2,603	-	2,603	3,355
Insurance	4,058	-	4,058	-	4,058	3,525
Total	45,473	-	45,473	10,717	56,190	43,626
6.1.3 Administrative Support Costs						
Telephone, Postage & Stationery	703	-	703	-	703	715
Website Expenses	45	-	45	-	45	202
Bank Charges	199	-	199	-	199	86
General Expenses	383	-	383	-	383	454
Total	1,330	-	1,330	-	1,330	1,457
6.1.4 Depreciation						
Freehold Building (Hall)	-	-	-	17,625	17,625	17,625
Long Leasehold Land	-	-	-	749	749	-
Building Improvements	-	-	-	2,555	2,555	2,555
Fixtures and Fittings	-	-	-	2,046	2,046	1,626
Total	-	-	-	22,975	22,975	21,806
6.1 TOTAL	70,685	8,339	79,204	37,885	117,089	95,153

NOTE 6.2

EXCEPTIONAL ITEM

Long Leasehold Land #	-	-	-	749	749	-
Water Charges Refunded	-	-	-	-	-	-8,362
OVERALL TOTAL	70,685	8,339	79,204	38,634	117,838	86,791
# 2018 Depreciation						

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7

TRANSFER BETWEEN FUNDS

This transfer represents 50% of the income derived from hire of the Hall and 75% from hire of the Annexe previously agreed to be allocated to the building fund from the general fund.

NOTE 8

FIXED ASSETS

8.1 LAND AND BUILDINGS

	Freehold Land £	Long Leasehold Land (As per Note 8.2) £	Freehold Building (Hall) £	Development Expenditure (See Note 8.3) £	Building Improvements £	Total £
Cost						
At 1 January 2019	190,000	37,440	881,265	640,737	51,092	1,800,534
Additions in year	-	-	-	257,110	-	257,110
At 31 December 2019	190,000	37,440	881,265	897,847	51,092	2,057,644
Depreciation						
At 1 January 2019	-	-	286,409	-	23,217	309,626
Charge for year	-	749	17,625	-	2,555	20,929
Charge for 2018 (Note 5.2)	-	749	-	-	-	749
At 31 December 2019	-	1,498	304,034	-	25,772	331,304
Net Book Value						
31 December 2019	190,000	35,942	577,231	597,847	25,320	1,726,340
1 January 2019	190,000	37,440	594,856	640,737	27,875	1,490,908

8.2 LONG LEASEHOLD LAND

This land is held by the charity on a lease for 125 years from 2017, at a ground rent payable of £100 p.a.

8.3 DEVELOPMENT EXPENDITURE

This expenditure will be formally transferred to Freehold Buildings in March 2020, on payment of the final amount due.

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8

FIXED ASSETS CONTINUED

8.4 SUMMARY

	Land & Buildings Total (As per Note 8.1) £	Furniture & Fittings £	Sports Equipment £	Total £
Cost				
At 1 January 2019	1,800,534	66,215	1,962	1,868,711
Additions in year	257,110	5,849	-	262,959
At 31 December 2019	<u>2,057,644</u>	<u>72,064</u>	<u>1,962</u>	<u>2,131,670</u>
Depreciation				
At 1 January 2019	309,626	60,266	1,961	371,853
Charge for year	20,929	2,046	-	22,975
Charge for 2018	749	-	-	749
At 31 December 2019	<u>331,304</u>	<u>62,312</u>	<u>1,961</u>	<u>3,955,577</u>
Net Book Value				
31 December 2019	1,726,340	9,752	1	1,736,093
1 January 2019	1,490,908	5,949	1	1,496,858

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9

MOVEMENT IN UNRESTRICTED FUNDS

	Funds B/fwd 01/01/2019 £	Incoming Resources £	Total Resources £	Resources Expended £	Transfers to from General Fund £	Transfer to Restricted Fund £	Funds C/fwd 31/12/2019 £
Designated Funds:							
Mahila Mandal	9,889	3,389	13,278	2,914	-	-	10,364
Youth Funds	-	2,330	2,330	1,232	-1,098	-	-
Social Fund	-	1,452	1,452	550	-902	-	-
Travel Fund	-	2,113	2,113	3,643	1,530	-	-
Sub-Total	9,889	9,284	19,173	8,339	-470	-	10,364
General Fund	73,666	76,679	150,345	70,865	470	-29,615	50,335
Total	83,555	85,963	169,518	79,204	-	-29,615	60,699

NOTE 10

MOVEMENT IN RESTRICTED FUNDS

	Funds B/fwd 01/01/2019 £	Incoming Resources £	Total Resources £	Resources Expended £	Transfer from General Fund £	Funds C/fwd 31/12/2019 £
Minor Funds:						
Jiv Daya Fund	2,525	5,810	8,335	1,600	-	6,735
Education Fund	7,981	335	8,316	-	-	8,316
Arhat Touch Fund	738	3,070	3,808	2,593	-	1,215
Sub Total	11,244	9,215	20,459	4,193	-	16,266
Major Funds:						
Building Fund	1,559,236	73,996	1,633,232	37,710	29,615	1,625,131
Total	1,570,480	83,211	1,653,691	41,903	29,615	1,641,397

JAIN SAMAJ - MANCHESTER
YEAR ENDED 31 DECEMBER 2019
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11
ANALYSIS OF NET ASSETS TO FUNDS

	BALANCE SHEET TOTAL £	UNRESTRICTED FUNDS		RESTRICTED FUNDS	
		General £	Designated # £	Building £	Minor Funds # £
Net Fixed Assets	1,736,093	-	-	1,736,093	-
Bank Deposits (A)	20,371	-	-	20,371	-
Bank Current Account (A)	94,725	49,608	25	28,826	16,266
Bank Current Account (B)	10,170	-	10,170	-	-
Paypal	641	641	-	-	-
Cash in Hand	255	86	169	-	-
Sub Total	1,862,255	50,335	10,364	1,785,290	16,266
Less: Loans	160,153	-	-	160,153	-
NET ASSETS	1,702,102	50,335	10,364	1,625,137	16,266

BANK ACCOUNTS KEY

(A) BANK OF INDIA

(B) LLOYDS BANK

MAHILA MANDAL FUND

♦ JIV DAYA, EDUCATION (GNAN) AND ARHAT TOUCH FUNDS

NOTE 12
OPERATING SURPLUS

The Restricted Funds operating surplus of £70,923 was after charging £23,724 depreciation on fixed assets. There was no depreciation charged against the Unrestricted Funds operating surplus.