

Hindu Cultural Association (Wales)

(Registered Charity no: 1002569)

Independent Examiner Report and Financial Statements

Year ended: 31 December 2017

Contents

| | |
|--|-------|
| Legal and administrative information | 1 |
| Report of the trustees | 2-4 |
| Report of the independent examiner | 5 |
| Statement of financial activities | 6 |
| Summary income and expenditure account | 7 |
| Charity balance sheet | 8 |
| Notes forming part of the financial statements | 10-11 |

Legal and administrative information during the year ended 31 December 2017

Executive Committee:

| | |
|-------------------------|-----------------------------|
| Chairperson | Dr Bapuji Velagapudi |
| Vice Chairperson | Dr. Ravindra Tiwari |
| Secretary | Dr. Poonam Singhal |
| Deputy Secretary | Mr. Prakash Nanjaiah |
| Treasurer | Mrs. Niru Kumar |
| Deputy Treasurer | Mrs. Deepa Salvaji |

Registered Office: India Centre
Sanquhar Street
Cardiff
CF24 2AA

Independent Examiners: Sivapalan & Co
Chartered Certified Accountants
168 City Road
Cardiff, CF24 3JE

Bankers: Lloyds TSB Bank PLC
514 Cowbridge Road East
Victoria Park
Cardiff
CF5 1BL

Annual Report of the Management Committee for the Year to 31 December 2017

Hindu Cultural Association (Wales) is registered with the Charity Commission and has charitable status for taxation purposes.

Structure, governance and management

The Governance document of Hindu Cultural Association (Wales) is its Constitution and it is an unincorporated association.

Board of Trustees:

The Charity is administered by a executive committee, comprising:

| | |
|------------------|----------------------|
| Chairperson | Dr Bapuji Velagapudi |
| Vice Chairperson | Dr. Ravindra Tiwari |
| Secretary | Dr. Poonam Singhal |
| Deputy Secretary | Mr. Prakash Nanjaiah |
| Treasurer | Mrs. Niru Kumar |
| Deputy Treasurer | Mrs. Deepa Salvaji |

Appointment of Trustees

The governors have been installed since the formation of the board of governors and are familiar with the aims and objectives of the Community.

The Hindu Cultural Association's Policy for the appointment of new governor trustees is normally by means of bi-annual elections.

All custodian trustees are appointed by the Board of Governors.

Organisational Structure

The Executive Committee currently consists of six officers, who, along with the Board of Governors (24), meet regularly to discuss and review the financial position, the fund raising strategy and all other charity matters, with all major decisions being made at these meetings. Day to day minor matters are delegated to the staff and volunteers.

Objects and Activities

The Charity's objects are supported by the charity's sole activity. The Objectives of the charity is to advance the understanding and awareness of Hindu religion and advance education, relieve poverty, distress and sickness amongst the Hindu community residents in Wales. The Charity depends upon the continuing help of volunteer's particularly young people.

Achievements and Performance

The Hindu Cultural Association (Wales) is keen to offer a range of services during the week and over the course of the year that our community find both beneficial and spiritually fulfilling. During the year membership numbers has been changed and the Charity's continuing aim is to increase the incoming resources in order to provide services in line with its constitution.

As a future plan the Hindu Cultural Association (Wales) is committed to continue the charity's aim and objectives. We are all conscious that the present premises are too small but have exciting plans to extend the property at the rear, in order that the activities at the Centre can be further expanded

Internal Control and Risk Management.

The trustees have the responsibility for ensuring that the charity has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that the charity is operating efficiently and effectively, its assets are safeguarded against unauthorized use or disposition, that proper records are maintained and financial information used within the charity or for publication is reliable and the charity complies with relevant laws and regulations.

The Trustees actively review on a regular basis the principal risks which the charity faces, notably the threat arising from any prolonged decline in voluntary income, and believe that the systems which have been established to enable the production of regular reports in all financial and operational areas will effectively mitigate these risks.

Public Benefit Statement

In furtherance of the objectives of the Centre, the Trustees of Hindu Cultural Association (Wales) have complied with the duty in S17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and sub-sector guidance concerning the operation of the Public Benefit requirement under the Act.

Financial review

The state of the Charities affairs at 31st December 2017 and the results of its operations for the year ended on that date are set out in the attached financial statements.

Total receipts on unrestricted funds have increased by £ 6,531 in the year and amounted to £ 62,007 compared to £55,476 last year.

The Charity made a profit of £4,630 (2016: Loss - £5,446) after depreciation of Tangible assets.

During the year the Charity made a profit of £12,454 (2016: profit - £2,658) before depreciation of Tangible assets.

The Charity reported liabilities of £ 4,118 (2016:£ 3,396) in the balance sheet net of accrued deferred income of insurance claim of £9,066.

The Charity's reserves as at 31 December 2017 stood at £ 571,154 (2016:£ 566,524)

The principal sources of income for the Hindu Cultural Association (Wales) during the year were donations from the Public. The activities of the charity have continued to highlight awareness of the charity and its work with the local community. The Trustees acknowledge the efforts of the staff, governors and volunteers in this direction, which has been enhanced by the support of a number of affiliated groups.

Expenditure remains under constant review, as the charity continues to make effort to minimize running costs of the premises.

Reserves Policy

As at 31st December 2017 free reserves amounts to £ 571,154 (2016: 566,524).

Our policy on reserves is to ensure that we have sufficient funds available to meet our commitments and the Executive Committee will consider designating reserves for specific purpose where it is considered to be necessary in the future.

Volunteers

The trustees are also extremely grateful to all volunteers who give up their free time to help further the aims of the charity.

Statement of Management committee's Responsibilities

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 01 January 2015.

The accounts have been prepared to give a true and fair view of the state of affairs of the charity and of its financial activities for that period and have departed from the Charities (Accounts & Reports) Regulation 2008 only to the extent required to provide a 'true and fair view'. This departure has involved Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather the accounting and Reporting by Charities: Statement of Recommended Practice effective from 01 April 2005 which has since been withdrawn.

Charity Law requires the management committee to prepare a Profit and Loss account and statement of assets and liabilities for each year, which give a true and fair view of the state of affairs of the charity and of its financial activities for that period which properly present the charity's income and expenditure for the year together with its assets and liabilities at the end of the year and adequately distinguish any material special trust or other restricted fund of the charity. In preparing those financial statements the management committee is requires to:-

- a) Select Suitable policies and then apply them consistently;
- b) Make judgments and estimates that are reasonable and prudent;
- c) State whether the policies adopted are in accordance with the appropriate SORP on Accounting by charities and the Accounting Regulations and with applicable accounting Standards, Subject to any material departures disclosed and explained in the financial statements

The management committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity, and to enable them to ensure that the financial statements comply with regulations stipulated in the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the privation and detection of fraud or other irregularities.

Statement as to Disclosure of information to Independent Examiners

So far as the management committee is aware, there is no relevant information of which the charity's Independent reviewers are unaware and each Trustee has taken steps that he ought to have taken as a Trustee in order to make himself aware of any relevant information and to establish that the charity's Independent examiners are aware of that information.

A resolution proposing that Sivapalan & Co be re-appointed as Independent examiner of the charity will be put to the Annual General Meeting.

Dr.Bapuji Velagapudi
(Chairperson)

Dated:

For an on behalf of the Management Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HINDU CULTURAL ASSOCIATION (WALES)
FOR THE YEAR ENDED 31 DECEMBER 2017**

I report on the accounts of the Trust for the year ended 31 December 2017, which are set out on pages 6 to 11

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts (financial Statement) in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2017.

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the General Directions given by the Charity Commissioner under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioner. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations 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 accounts 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 matter has come to my attention:

- Which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) To keep accounting records in accordance with section 130 of the 2011 Act; and
 - (b) To prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Mr S Sivapalan
Sivapalan & Co
Chartered Certified Accountants
168 City Road
Cardiff
CF24 3JE**

Date: 22 May 2018

Statement of Financial Activities for the year ended 31 December 2017.

| | | 2017 | 2016 | |
|--|-----------------------|---------------------|----------------|----------------|
| | Unrestricted Funds | Restricted Funds | Total Funds | |
| Notes | £ | £ | £ | |
| <u>Income from Charitable activities</u> | | | | |
| Donations | 37,572 | - | 37,572 | 25,527 |
| Festivals, Function and Events | 10,251 | - | 10,251 | 17,114 |
| Hall Hire & Sponsorship Income | 240 | - | 240 | 150 |
| Membership Fees | 4,205 | - | 4,205 | 3,339 |
| Hindi Classes | - | - | - | 354 |
| Gift Aid | 9,733 | - | 9,733 | 8,635 |
| | <u>62,001</u> | <u>-</u> | <u>62,001</u> | <u>55,119</u> |
| Investment Income | | | | |
| Deposit Account Interest | - | - | - | 357 |
| Other Income | | | | |
| Insurance reclaim | - | - | - | - |
| Interest Income | 6 | - | 6 | - |
| | <u>62,007</u> | <u>-</u> | <u>62,007</u> | <u>55,476</u> |
| <u>Total Income and endowments</u> | | | | |
| <u>Expenditure on charitable activities</u> | | | | |
| Festival, Function and Events | 7,281 | - | 7,281 | 2,118 |
| Groceries, Provision and Catering Costs | 8,553 | - | 8,553 | 5,952 |
| Wages and NI | 16,825 | - | 16,825 | 19,504 |
| Temple Expenses | 2,732 | - | 2,732 | 1,608 |
| Rates and Water | 2,333 | - | 2,333 | 2,280 |
| Repairs and Renewals | 1,780 | - | 1,780 | 2,034 |
| Light and Heat | 4,576 | - | 4,576 | 5,754 |
| Donations, Subscription and Licenses | - | - | - | 6,788 |
| Alarm & Security | 306 | - | 306 | 1,170 |
| Insurance | 1,291 | - | 1,291 | 1,648 |
| Telephone | 913 | - | 913 | 329 |
| Printings, Postage and Stationery | 882 | - | 882 | 292 |
| Website Expenses | 600 | - | 600 | 600 |
| Accountancy, Independent Examination & Legal | 900 | - | 900 | 900 |
| Cleaning and Refuse Collection | 490 | - | 490 | 1,841 |
| Bank Charges and Interest | 91 | - | 91 | - |
| Depreciation on Fixed Assets | 1,727 | - | 1,727 | 2,007 |
| Depreciation on Building | 6,097 | - | 6,097 | 6,097 |
| Other Expenditure | - | - | - | - |
| | <u>57,377</u> | <u>-</u> | <u>57,377</u> | <u>60,922</u> |
| Total Expenditure on charitable activities | | | | |
| Net income / (expenditure) | 4,630 | - | 4,630 | (5,446) |
| Total Funds at 1 January 17 | 566,524 | - | 566,524 | 571,970 |
| | <u>571,154</u> | <u>-</u> | <u>571,154</u> | <u>566,524</u> |
| Total Funds at 31 December 17 | | | | |

All of the above results are derived from continuing activities.

Income and Expenditure account for the year ended 31 December 2017

| | 2017 | 2016 |
|--|-------------|-------------|
| Notes | £ | £ |
| Income | | |
| Festivals, Function and Events | 10,251 | 17,114 |
| Donations, Grant & Other Income | 36,972 | 25,527 |
| Hall Hire & Sponsorship Income | - | 150 |
| Membership Fees | 4,205 | 3,339 |
| Hindi Classes | - | 354 |
| Gift Aid | 9,733 | 8,635 |
| Deposit Account Interest | 6 | 357 |
| Rental Income | - | - |
| Other Income | - | - |
| | <hr/> | <hr/> |
| | 62,007 | 55,476 |
| Expenditure | | |
| Festival, Function and Events | 7,281 | 2,118 |
| Groceries, Provision and Catering Costs | 8,553 | 5,952 |
| Wages and NI | 16,825 | 19,504 |
| Temple Expenses | 2,732 | 1,608 |
| Rates and Water | 2,333 | 2,280 |
| Repairs and Renewals | 1,780 | 2,034 |
| Light and Heat | 4,576 | 5,754 |
| Donations, Subscription and Licenses | - | 6,788 |
| Alarm & Security | 306 | 1,170 |
| Insurance | 1,291 | 1,648 |
| Telephone | 913 | 329 |
| Printings, Postage and Stationery | 882 | 292 |
| Website Expenses | 600 | 600 |
| Accountancy ,Independent Examination & Legal | 900 | 900 |
| Cleaning and Refuse Collection | 490 | 1,841 |
| Bank Charges and Interest | 91 | - |
| Depreciation | 7824 | 8,104 |
| | <hr/> | <hr/> |
| | 57,377 | 60,922 |
| | <hr/> | <hr/> |
| Net Surplus / (Deficit) For the Year | 4,630 | (5,446) |
| | <hr/> <hr/> | <hr/> <hr/> |

Statement of Assets and Liabilities as at 31 December 2017

| | | 2017 | 2016 |
|--|-------|----------------|----------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangibles assets | 2 | 502,449 | 510,132 |
| Current assets | | | |
| Debtors | 3 | 5,867 | 9,003 |
| Cash at Bank and in hand | | 76,022 | 50,785 |
| | | <u>81,889</u> | <u>59,788</u> |
| Creditors: amounts falling due within one year | 4 | (13,184) | (3,396) |
| Net Current Assets | | <u>68,705</u> | <u>56,392</u> |
| Total assets less Current liabilities | | <u>571,154</u> | <u>572,621</u> |
| Net Assets | | <u>571,154</u> | <u>572,621</u> |
| Funds: | | | |
| Balance brought forward | | 566,524 | 571,970 |
| Surplus /(Deficit) over expenditure | | 4,630 | (5,446) |
| Total Funds | | <u>571,154</u> | <u>566,524</u> |

Trustees' Declaration

These accounts have been prepared in accordance with the accounting policies set out in notes to the accounts 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 published on 16 July 2014 and notes form part of these financial statements

We approved these accounts and confirm that we made available all relevant records and information for their preparation

For the financial year in question the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to smaller entities (effective January 2015). No members have required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Management acknowledge their responsibility for complying with the requirements of the act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

Dr.Bapuji Velagapudi
(Chairperson)

Date:

Mrs. Niru Kumar
(Treasurer)

Date:

Notes to the Financial Statements for the year ended 31 December 2017

1) Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2008): and applicable UK Accounting Standards and the Charities Act 2011 as it apply from 1 January 2015.

(b) Incoming resources

Voluntary income including donations and gifts are recognized in full in the statement of Financial activity in the financial year in which it is receivable. No amounts are included in the accounts for services donated by volunteers.

(c) Resources expended

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

(d) Fund accounting

Unrestricted General funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Unrestricted Designated Funds are funds set aside by the trustees out of unrestricted general funds for specific future purpose or projects.

Restricted Funds are funds that can only be used for particular restricted purposes with in the objects of the charity. Restrictions arise when specified by the donor, or when funds are raised for particular restricted purposes. These funds amount to £2 deposited in a separate Bank account .

(e) Tangible fixed assets and depreciation

Depreciation is calculated to write off cost or valuation, less estimated residual value, of the tangible fixed assets over their estimated useful lives. The annual depreciation rates and methods are as follows

| | 2017 | 2016 |
|------------------------|----------------------|----------------------|
| Land | Nil | Nil |
| Building | 50 years | 50 |
| Fixtures and equipment | 15% Reducing Balance | 15% Reducing Balance |

(f) Taxation

The charity is exempt from tax on income and gains falling within S478 of the Taxes Act 2010 or S256 of the Taxation of chargeable Gains Act 1992 to the extent that these are applied to its charitable objects, No tax Charges have arisen in the charity

2) Tangible fixed assets

| | Freehold Land and Buildings £ | Fixture and Fittings £ | Total £ |
|-----------------------|--|---|-------------------------|
| COST | | | |
| At 1 January 2016 | 504,856 | 139,592 | 644,448 |
| Additions | - | 141 | 141 |
| | <u>504,856</u> | <u>139,733</u> | <u>644,589</u> |
| DEPRECIATION | | | |
| At 1 January 2016 | 6,097 | 128,078 | 134,175 |
| Charge for Year | 6,097 | 1,727 | 7,824 |
| | <u>12,194</u> | <u>129,805</u> | <u>141,999</u> |
| NET BOOK VALUE | | | |
| At 31 December 2017 | <u>492,662</u> | <u>9,787</u> | <u>502,449</u> |
| At 31 December 2016 | <u>498,759</u> | <u>11,373</u> | <u>510,132</u> |

3) Debtors

| | 2017 £ | 2016 £ |
|-------------------|---------------------|---------------------|
| HMRC-Gift Aid Due | 3,872 | 7,761 |
| HMRC-GASDS | 1,995 | 1,242 |
| | <u>5,867</u> | <u>9,003</u> |
| | <u><u>5,867</u></u> | <u><u>9,003</u></u> |

4) Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|-----------------------------------|----------------------|---------------------|
| Creditors | | |
| Taxation and social security | 1,235 | 1,319 |
| Accruals | 840 | 840 |
| Wages | 1,185 | 608 |
| Other Creditors | 809 | 629 |
| Accrued Income- Insurance reclaim | 9,066 | - |
| Pension | 49 | - |
| | <u>13,184</u> | <u>3,396</u> |
| | <u><u>13,184</u></u> | <u><u>3,396</u></u> |

5) Trustees' Expenses

Trustee's details and Re-imbursed amount for any expenses defrayed during the year ended 31 December 2017 are as follows:

| Trustees Names | Details | £ |
|-----------------------|-----------------------------|----------|
| Mrs N Kumar | Repairs & Maintenance | 415.00 |
| Mrs N Kumar | Durga Puja Samagri | 371.00 |
| Mrs N Kumar | Function and Event expenses | 170.00 |

6) Analysis of Funds

| | As at 01 January 2017 £ | Incoming Resources £ | Resources Expended £ | As at 31 December 2017 £ |
|--------------------------|--|-------------------------------------|-------------------------------------|---|
| Total unrestricted funds | 566,524 | 62,007 | (57,377) | 571,154 |
| Total restricted funds | - | - | - | - |
| Total Funds | 566,524 | 62,007 | (57,377) | 571,154 |

7) Net assets between funds

| | As at 01 January 2017 £ | Increase/ (Decrease) Total Assets £ | (Increase)/ Decrease Net current Liabilities £ | As at 31 December 2017 £ |
|---------------------------------|--|--|---|---|
| General reserve | 566,524 | 14,418 | (9,788) | 571,154 |
| Total Unrestricted funds | 566,524 | 14,418 | (9,788) | 571,154 |
| Restricted funds | - | - | - | - |
| Total funds | 566,524 | 14,418 | (9,788) | 571,154 |

8) Accountancy, Independent Examination & Legal Fee

| | 2017 | 2016 |
|------------------|-------------|-------------|
| Accountancy Fees | 900 | 900 |
| | 900 | 900 |