

REGISTERED COMPANY NUMBER: 02758093 (England and Wales)
REGISTERED CHARITY NUMBER: 1015054

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
FOR
NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

RFM Audit Services LLP, Statutory Auditor
Unit 1, Guest House Farm
Runshaw Lane
Euxton
Chorley
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PR7 6HD

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

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for the Year Ended 31 December 2023**

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**NEW KADAMPA TRADITION -
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**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In the wording of the charity's Memorandum of Association, the objects for which the charity is established are to increase the Buddhist Faith throughout the world, under the spiritual guidance of the elected General Spiritual Director ('GSD') of the NKT-IKBU, by promoting the activities of the union of Kadampa Buddhist Centres called the NKT-IKBU, the international association of study and meditation centres that follow the pure tradition of Mahayana Buddhism derived from the Buddhist meditators and scholars Atisha and Je Tsongkhapa, introduced into the West by the Buddhist teacher Venerable Geshe Kelsang Gyatso; and that follow the three New Kadampa Tradition Study Programmes; and that are guided by the code of moral discipline called the Internal Rules of the NKT-IKBU.

Significant activities

In order to promote its objects, the charity maintains an International Temples Project ('ITP'), whose aim is in general to introduce the Buddhist Faith of the New Kadampa Tradition publicly and in particular to exemplify Buddhist practice through service to the public.

To further the objects of the ITP, the charity continually emphasises the development throughout the world of:

- (a) local Kadampa Buddhist Centres ('KBCs');
- (b) Kadampa Meditation Centres ('KMCs');
- (c) international Kadampa Buddhist Temples, dedicated to world peace;
- (d) International Retreat Centres ('IRCs');
- (e) publishing activities (under the name 'Tharpa Publications');
- (f) Kadampa Companies.

In furtherance of its aims, the charity also operates the residential Buddhist Centre 'Manjushri Kadampa Meditation Centre' ('Manjushri KMC'); produces Buddhist art prints and publishes printed, audio and e-books of Buddhist teachings under the name 'Tharpa Publications'; holds annual Spring and Summer Festivals with Buddhist teachings and meditation retreats; and maintains a 'Kadampa Art Studio' and a 'Kadampa Internet' office, all at its Conishead Priory premises in Ulverston, Cumbria, UK.

In support of the activities of the International Temples Project ('ITP'), the charity makes grants and interest-free loans to NKT-IKBU Centres around the world. Requests for grants and loans are considered by the trustees on an individual basis, and the financial forecasts for each project are closely examined to ensure viability. The charity takes a long-term view when supporting the development of ITP activities, and makes financial provisions as necessary. When a grant or loan is made, the recipient Centre provides regular progress reports to the Secretary of the GSD of the charity, who then reports to the Weekly Meeting of the Education Council, and the charity's Finance Committee.

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**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2023**

OBJECTIVES AND ACTIVITIES

Public benefit

Identifiable benefits

In exercising their powers and duties, the trustees have due regard to the guidance on public benefit published by the Charity Commission. They believe that the work of the charity in promoting the Buddhist Faith has clearly identifiable public benefits.

The charity believes that there are three important public benefits to promoting the Buddhist Faith throughout the world:

- to help people to develop their wisdom;
- to cultivate a good heart; and
- to maintain a peaceful mind.

If as individuals we do not strive to develop our wisdom, we will always remain ignorant of the true nature of reality. Everyone wishes for happiness, but our ignorance of reality leads us to engage in non-virtuous actions, which in turn are the main cause of all our suffering. Further, if we do not cultivate a good heart towards others, then our selfish motivation destroys the harmony of our relationships with others. We then have no peace, and no chance to gain pure happiness. Without inner, mental peace, outer peace is impossible, both personally and throughout society.

Benefit to the public

The Charity supports a world-wide membership of Buddhist Centres, all of which offer classes of instruction in Buddhist philosophy and meditation, bringing personal and social benefit.

These same programmes of study and meditation are directly offered by the Charity at Manjushri KMC, which functions at the Charity's main premises at Conishead Priory. All classes are accessible to the public. Both 'drop-in' classes and more advanced courses of Buddhist instruction are offered. Some are offered free of charge, whilst modest fees are charged for others. A year-round programme of services of prayer and meditation is also offered, once again open to the public. The Charity has recently reviewed its streaming guidelines and resumed online streaming for its monthly subscription members.

The Charity's main premises at Conishead Priory, including the Kadampa World Peace Temple and 70 acres of woodlands and gardens, are freely open to the public daily throughout the year, providing a peaceful environment for anyone who wishes to enjoy it. Free 15-minute meditation sessions are offered twice daily in the Temple, and together with the World Peace Café and Gift Shop, continue to be popular with local people, course attendees, and visitors to the area alike. Manjushri KMC also regularly hosts visits from school and other community groups. All of these activities are staffed by volunteers from Conishead Priory's residential and local community, showing the example of Kadampa Buddhist practice through service to the public.

In addition, the Charity funds and supports the establishment of traditional and non-traditional World Peace Temples, meditation and retreat Centres, World Peace Cafés, and Tharpa Publications throughout the world, all dedicated to the promotion of the Buddhist faith through service to the public.

Grantmaking

In general, grants and loans are made only to NKT-IKBU Centres that are incorporated and registered as charities within their own countries. Exceptions may be made in the case where Kadampa Buddhism is being newly established in countries where there has been no prior activity.

Volunteers

All aspects of the day to day functioning of Manjushri KMC, are run by members of the residential community together with volunteers from the extended community both local and international. The support of the community, as an expression of their service to the public, means that the charity can operate with relatively low staff numbers.

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ACHIEVEMENT AND PERFORMANCE

Charitable activities

Manjushri Kadampa Meditation Centre, Conishead Priory

Manjushri KMC continues to offer its full and varied spiritual programme of meditation retreats and courses, study programmes and prayer services. Following our experience during the period of the Covid 19 pandemic restrictions, in 2023 the programme was still offered for both in-person and live-streamed attendance. In-person attendance far exceeded the demand for the on-line events, highlighting the importance of Conishead Priory as a place of refuge and spiritual support.

The year began with a New Year's Eve celebration taught by the General Spiritual Director of the NKT-IKBU, who also serves as the Centre's Resident Teacher. Over 130 people participated in-person. This event was immediately followed by a special January retreat, which was also led by the Centre's Resident Teacher, with a similar number of people joining all or part of the month's retreat programme. Other courses taught by the Centre's Resident Teacher throughout the year attracted similar or higher numbers of participants, including a Public Talk at the end of January, which was attended by over 300 people from the local area.

Throughout the year, the 70 acres of Conishead Priory grounds, Kadampa World Peace Temple, gift shop and café, were open to the visiting public daily.

Our programme of school and group visits which resumed in early 2023 proved to be very popular, with many of the local schools returning for the first time since the pandemic.

International Festivals

2023 saw a consistent increase to in-person attendance at our annual International Festivals, whilst continuing to stream these events for those unable to physically attend.

The International Spring Festival was held at the Kadampa World Peace Temple at Conishead Priory, UK, over five days at the end of May. 2,850 people from 48 countries participated, 1,200 attending in person and 1,650 online.

The International Summer Festival was held at the Kadampa World Peace Temple at Conishead Priory, UK, over the first two weeks in August. 4,900 people from 57 countries participated, 3,240 attending in person and 1,660 online.

The International Fall Festival was held at the recently inaugurated Kadampa World Peace Temple in Malaga, Spain. This six-day event was attended by 2,400 people representing 50 countries, 1,240 attending in person and 1,160 online. This event was co-hosted by the Charity and Kadampa Meditation Centre Spain. At the conclusion of this event, a special tour of a property newly-acquired by the Charity in Granada Spain was attended by 400 people.

Tharpa Publications UK

Tharpa Publications continued to reprint its existing catalogue of books with redesigned and updated covers. Several new, or updated products were also launched. Tharpa Publications UK was the principal organiser of the Tharpa Shop at the International Spring, Summer, and Fall Festivals, co-ordinating with the other International Tharpa Publications to provide an extensive collection of Venerable Geshe Kelsang Gyatso's books in many languages.

Kadampa Art Studio

The Kadampa Art Studio at Conishead Priory continues to produce Buddha statues and ornaments for traditional and urban NKT-IKBU Temple developments, and for Kadampa Meditation Centres (KMCs) and International Kadampa Retreat Centres (IKRCs) throughout the world. The Studio was busy throughout the year, mainly producing the statues and ornaments required for urban Temples for World Peace in the following cities: Seville and Valencia in Spain, Philadelphia in the USA, Mexico City, and in the UK for Nottingham, Madhayamaka Kadampa Meditation Centre and Tara International Kadampa Retreat Centre.

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FINANCIAL REVIEW

Financial review

Since 1 January 2011, the Charity has followed financial guidelines set out in an internal guidance manual, called 'A Money Handbook'. These guidelines recognise that all Charity income is designated as International Temples Project funds, and as such provides the funding for all of the Charity's activities.

The aims of the ITP are in general to introduce the Buddhist Faith of the New Kadampa Tradition publicly, and in particular to exemplify Buddhist practice through service to the public.

As previously reported, a principal ITP project for 2023-24 was essential renovations and improvements to the Charity's headquarters at Conishead Priory, Cumbria, UK, the 'mother Centre' for the International Kadampa Buddhist Union. This work progressed steadily throughout 2023, and is still ongoing in 2024, with significant progress having been made in structural and infrastructure improvements as well as cosmetic improvements to the property.

Kadampa Meditation Centre Leeds' spiritual activities began in the Waterloo House property in late Spring 2022, and the Centre was officially opened on July 9 2022 by Gen-la Kelsang Dekyong, NKT-IKBU General Spiritual Director. Throughout 2023, the ITP continued to extend financial support to KMC Leeds, aiding in its first year of operation in the new space.

International Temples Project funds in the form of an interest-free loan were made available to KMC Glasgow, UK, to assist with the purchase of a new city-centre property, enabling the Centre to move from rented accommodation and to establish a more permanent base in the city.

As detailed above, the ITP continued to fund the production of statues and other artwork in the Kadampa Art Studio for a number of city-centre Kadampa Meditation Centres. Total grants raised for the Kadampa Art Studio in 2023 amounted to £52,377.

A total of £12,471 was also given in grants and £400,417 in interest-free loans in support of other ITP activities throughout the world.

Donations and legacies made to the Charity's International Temples Project Fund totalled £368,939 in 2023.

The trustees consider that providing interest-free loans rather than grants benefits the recipient NKT-IKBU Centres in a number of ways. It provides safe funding for projects, and allows time for Centre activities to become established without undue financial pressure; but at the same time it also helps create an attitude of financial independence and responsibility in the recipients, and encourages an appreciation of the ITP through the recognition that repayment of the loan will ensure that funds are available for future ITP projects.

Principal funding sources

The principal funding sources for the Charity in 2023 included the surplus from the NKT-IKBU International Spring and Summer Festivals, and the surpluses from Tharpa Publications and Manjushri KMC.

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FINANCIAL REVIEW

Reserves policy

The ITP accounts are reviewed fortnightly to ensure that sufficient funds are available to cover current running costs, and that there is a minimum of £75,000 available to replenish the funds in the Charity's daily running account (as set out in A Money Handbook).

The trustees are of the opinion that £750,000 is a comfortable level of free reserves in order to maintain the basic operations of the Charity, including required capital expenditure or servicing of any borrowing, and to provide some surety against adverse financial events such as unbudgeted expenditure or failure to achieve income targets. This level of reserve funds is reviewed annually by the trustees.

To ensure the Charity's ability to further its objects both in the UK and internationally, the trustees have designated funds for the development and support of International Temples Project activities worldwide. The trustees further consider that a reserve equal to the sum of one year's running costs plus three years of building, repair and maintenance costs is a suitable level to protect the Charity in case of adverse financial events. This figure is also reviewed annually by the trustees.

FUTURE PLANS

The Charity continues to offer material support for the development of NKT-IKBU Centres through its International Temples Project, including renovation projects on Charity-owned properties both in the UK and overseas.

The International Temples Project has plans to assist with the following renovation projects at the Charity's own property in Granada (Spain), at KMC Glasgow (UK) and at KMC Rio de Janeiro (Brazil).

Long-term plans also include the construction of traditional Kadampa Temples for World Peace at the Charity's principal properties in France and Germany. Planning permissions for both of these projects have already been granted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a company limited by guarantee, incorporated in 1992 and now operating under Memorandum and Articles of Association adopted in April 2007, when the organisation also adopted its present name (which is abbreviated to "NKT-IKBU" in this report).

In the event of the company being dissolved, each Member is required to contribute an amount not exceeding £10 towards the settlement of any outstanding debts, liabilities and costs.

The company is registered as a charity, and is established, organised and operated exclusively for religious purposes. There are four trustees, who are the Directors of the company. Two of the trustees are directly elected as such by the Members of the charity, and two are ex-officio posts. The ex-officio posts are occupied by the General and Deputy Spiritual Directors of the charity, who again are elected as such by the Members. An elected trustee's term of office is two years, with re-election possible.

The Members of the charity are:

- (a) all incorporated NKT-IKBU Buddhist Centres throughout the world; and
- (b) all the Resident Teachers of unincorporated NKT-IKBU Buddhist Centres throughout the world.

Until his passing in December 2022 the membership of the Charity also included the Founder (and sole Subscriber to the original 1992 Memorandum and Articles) of the Charity, namely Venerable Geshe Kelsang Gyatso.

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**REPORT OF THE TRUSTEES
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charity has a two-tier structure with policy-setting and strategic decision-making being the responsibility of the trustees, and the implementation of procedures and day-to-day operational management being the responsibility of a team of executive officers. In June 2023, Roy Tyson retired from his position as Deputy Secretary after a dedicated lifetime of public service. Following his retirement, Kelsang Lhachog (Kathryn Charles) was appointed as his successor.

Decision making

The trustees make all the major decisions of the charity, and under their direction the central daily administrative tasks are carried out by a team of executive officers.

Induction and training of new trustees

All trustees are already familiar with the practical work of the charity before their appointment, having undertaken similar duties within the charity or within a related organisation. Other present and former trustees are also available to help a new trustee with his or her responsibilities and duties.

Key management remuneration

Each remunerated officer or member of staff of the charity receives the same standard staff remuneration from the charity. This standard staff remuneration applies across all departments within the charity and to all offices of the charity including the office of General Spiritual Director.

The level of the standard staff remuneration of the charity accords with the principle of Buddhist practice through public service. It is reviewed from time to time by the Finance Committee of the charity and any changes must be approved by special resolution of the charity in general meeting.

Wider network

All Member Centres of the NKT-IKBU are independent legal entities, bound together firstly by the common spiritual lineage called the "New Kadampa Tradition" of Buddhism, and secondly by membership of the charity. The General Spiritual Director ('GSD') of the NKT-IKBU is also the Spiritual Director of each Member Centre.

NKT- IKBU and all Member Centres are bound by and follow, guidelines known as A Moral Discipline Guide: The Internal Rules of the New Kadampa Tradition - International Kadampa Buddhist Union (the 'Internal Rules'), the purpose of which is

- to help maintain and improve the spiritual development of all Dharma Centres of the NKT-IKBU, generation after generation.
- to help maintain a close and supportive relationship between all Dharma Centres of the NKT-IKBU
- to help facilitate the day-to-day running and spiritual management of the NKT-IKBU

In accordance with the Internal Rules, three of the executive officers of the charity; the General Secretary and Deputy Secretary, and the Secretary of the General Spiritual Director support Member Centres in their spiritual and material development.

Related parties

In furtherance of the charity's objects of promoting the Buddhist faith through the development of Kadampa Buddhism worldwide, interest-free loans are made to Member Centres as outlined in the Financial Review section above. Charity owned properties are also made available to be used by Member Centres often on a rent-free basis, for similar reasons of assisting the Member Centre's development without undue external financial pressures.

Donations to the charity's International Temples Project Fund are also received from Member Centres. As these are completely discretionary, donations received from Member Centres are not disclosed separately in the accounts.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees of the charity meet regularly to review the major risks to which the charity is exposed, and they have established procedures to mitigate such risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02758093 (England and Wales)

Registered Charity number

1015054

Registered office

Conishead Priory
Priory Road
Ulverston
Cumbria
LA12 9QQ

Trustees

Heather C. Wright (aka Kelsang Dekyong), appointed on 01 August 2009
Jennifer J. Andrews (aka Kelsang Droljang), appointed on 24 July 2012, resigned 28 November 2023
Henry F. Shefveland (aka Kelsang Jampa), appointed on 10 January 2016
Lisa Marie Devine (aka Kelsang Phachog), appointed on 5 August 2021
Mary Estelle Cansdale, appointed 29 November 2023

Executive Officers

The daily central administrative tasks of the charity are carried out by the four main executive officers, as follows:

General Secretary - Stephen Paul Cowing

Deputy Secretary - Anthony Roy Tyson (retired) 3 June 2023, Kathryn Charles (aka Kelsang Lhachog), appointed 4 June 2023

Secretary of the General Spiritual Director - Lisa McGovern (aka Kelsang Ringyal)

Treasurer - Linda Cay (aka Kelsang Maitri) (resigned) 21 January 2024, Lisa Klusendorf (aka Kelsang Zangmo), appointed 22 January 2024

Company Secretary

S P Cowing

Auditors

RFM Audit Services LLP, Statutory Auditor
Unit 1, Guest House Farm
Runshaw Lane
Euxton
Chorley
Lancashire
PR7 6HD

Bankers

Barclays Bank PLC, 86-90 Dalton Road, Barrow-in-Furness, Cumbria, LA14 1JF
CCLA Investment Management Ltd, COIF Charity Funds, 80 Cheapside, London, EC2V 6DZ

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**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of New Kadampa Tradition - International Kadampa Buddhist Union for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, RFM Audit Services LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 15 July 2024 and signed on its behalf by:

Ms H C Wright - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NEW KADAMPA TRADITION -
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Opinion

We have audited the financial statements of New Kadampa Tradition - International Kadampa Buddhist Union (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the trustees and other management, and from our commercial knowledge and experience of the religious activities sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the charity's legal advisors.

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BUDDHIST UNION (REGISTERED NUMBER: 02758093)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Flynn FCA (Senior Statutory Auditor)
for and on behalf of RFM Audit Services LLP, Statutory Auditor
Unit 1, Guest House Farm
Runshaw Lane
Euxton
Chorley
Lancashire
PR7 6HD

15 July 2024

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	315,974	52,965	368,939	503,841
Charitable activities					
International Festivals	4	3,044,728	-	3,044,728	2,345,201
Tharpa Publications		303,877	-	303,877	257,743
Manjushri Kadampa Meditation Centre		746,285	-	746,285	766,734
Shop and World Peace Cafe		422,351	-	422,351	384,185
Kadampa Art Studio and Internet		72,832	-	72,832	38,398
Properties Income		96,946	-	96,946	95,591
Investment income	3	3,986	-	3,986	1,177
Total		<u>5,006,979</u>	<u>52,965</u>	<u>5,059,944</u>	<u>4,392,870</u>
EXPENDITURE ON					
Charitable activities					
Grants Payable	5	64,808	-	64,808	78,559
International Festivals		965,254	2,728	967,982	668,647
Tharpa Publications		216,934	36	216,970	169,412
Manjushri Kadampa Meditation Centre		1,413,991	9,981	1,423,972	1,091,983
Kadampa Art Studio and Internet		277,723	2,059	279,782	118,493
Properties Expenditure		156,215	-	156,215	59,771
International Kadampa Development		648,895	3,848	652,743	62,225
Total		<u>3,743,820</u>	<u>18,652</u>	<u>3,762,472</u>	<u>2,249,090</u>
NET INCOME		1,263,159	34,313	1,297,472	2,143,780
Transfers between funds	22	19,261	(19,261)	-	-
Net movement in funds		1,282,420	15,052	1,297,472	2,143,780
RECONCILIATION OF FUNDS					
Total funds brought forward		40,317,444	19,689	40,337,133	38,193,353
TOTAL FUNDS CARRIED FORWARD		<u>41,599,864</u>	<u>34,741</u>	<u>41,634,605</u>	<u>40,337,133</u>

The notes form part of these financial statements

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION (REGISTERED NUMBER: 02758093)**

**STATEMENT OF FINANCIAL POSITION
31 December 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	31,801,461	-	31,801,461	29,089,633
Investments	14	<u>2,109</u>	<u>-</u>	<u>2,109</u>	<u>2,109</u>
		31,803,570	-	31,803,570	29,091,742
CURRENT ASSETS					
Stocks	15	454,677	-	454,677	409,242
Debtors	16	13,548,462	-	13,548,462	13,930,946
Investments	17	144,787	-	144,787	147,996
Cash at bank		<u>1,567,051</u>	<u>34,742</u>	<u>1,601,793</u>	<u>2,050,232</u>
		15,714,977	34,742	15,749,719	16,538,416
CREDITORS					
Amounts falling due within one year	18	(5,455,625)	-	(5,455,625)	(3,841,045)
NET CURRENT ASSETS		<u>10,259,352</u>	<u>34,742</u>	<u>10,294,094</u>	<u>12,697,371</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		42,062,922	34,742	42,097,664	41,789,113
CREDITORS					
Amounts falling due after more than one year	19	(463,059)	-	(463,059)	(1,451,980)
NET ASSETS FUNDS	22	<u>41,599,863</u>	<u>34,742</u>	<u>41,634,605</u>	<u>40,337,133</u>
Unrestricted funds				41,599,863	40,317,444
Restricted funds				<u>34,742</u>	<u>19,689</u>
TOTAL FUNDS				<u>41,634,605</u>	<u>40,337,133</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 July 2024 and were signed on its behalf by:

H C Wright - Trustee

The notes form part of these financial statements

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2023**

Notes	2023 £	2022 £
Cash flows from operating activities		
Cash generated from operations 1	2,267,391	2,321,919
Interest paid	<u>(150,432)</u>	<u>(101,991)</u>
Net cash provided by operating activities	<u>2,116,959</u>	<u>2,219,928</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,062,597)	(4,056,106)
Sale of tangible fixed assets	155,981	-
Interest received	3,986	1,177
Transfer of funds held on deposit	<u>3,209</u>	<u>9,044</u>
Net cash used in investing activities	<u>(2,899,421)</u>	<u>(4,045,885)</u>
Cash flows from financing activities		
Bank loan repayments in year	(996,400)	(214,235)
New concessionary loans in year	1,330,423	-
Concessionary loan repayments in year	<u>-</u>	<u>(182,429)</u>
Net cash provided by/(used in) financing activities	<u>334,023</u>	<u>(396,664)</u>
Change in cash and cash equivalents in the reporting period	<u>(448,439)</u>	<u>(2,222,621)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>2,050,232</u>	<u>4,272,853</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,601,793</u></u>	<u><u>2,050,232</u></u>

The notes form part of these financial statements

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,297,472	2,143,780
Adjustments for:		
Depreciation charges	174,240	105,828
Loss on disposal of fixed assets	20,548	-
Interest received	(3,986)	(1,177)
Interest paid	150,432	101,991
Increase in stocks	(45,435)	(13,882)
Decrease in debtors	382,484	83,549
Increase/(decrease) in creditors	291,636	(98,170)
Net cash provided by operations	<u>2,267,391</u>	<u>2,321,919</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/23	Cash flow	At 31/12/23
	£	£	£
Net cash			
Cash at bank	2,050,232	(448,439)	1,601,793
	<u>2,050,232</u>	<u>(448,439)</u>	<u>1,601,793</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	147,996	(3,209)	144,787
	<u>147,996</u>	<u>(3,209)</u>	<u>144,787</u>
Debt			
Debts falling due within 1 year	(3,653,001)	(1,322,944)	(4,975,945)
Debts falling due after 1 year	(1,451,980)	988,921	(463,059)
	<u>(5,104,981)</u>	<u>(334,023)</u>	<u>(5,439,004)</u>
Total	<u>(2,906,753)</u>	<u>(785,671)</u>	<u>(3,692,424)</u>

The notes form part of these financial statements

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

There are no material uncertainties about the charity's ability to continue.

PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Regulation 19 of The Charities (Accounts and Reports) Regulations 2008, individually and in aggregate, each of the subsidiary undertakings are not material for the purposes of giving a true and fair view.

On this basis, the financial statements contain information about New Kadampa Tradition - International Kadampa Buddhist Union as an individual charity and do not contain consolidated financial information as the parent of a group.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting judgements and key sources of estimation uncertainty made by trustees and management in preparing these financial statements which also have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Depreciation and impairment of fixed assets
- Impairment provisions for concessionary loans made to centres

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a festival, course, retreat or for provision of other specified service it is deferred until the criteria for income recognition are met.

Donated goods, services and facilities

Donated goods, professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated goods, professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

INCOME

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants payable

Grants offered subject to conditions which have not been met at the statement of financial position date are noted as a commitment but not accrued as expenditure.

ALLOCATION AND APPORTIONMENT OF COSTS

Support costs that cannot be directly attributed to a specific activity are apportioned across all relevant activities on the basis of time spent on each activity by NKT administrative employees.

TANGIBLE FIXED ASSETS

Tangible fixed assets are capitalised at cost. The costs of property repairs, replacement and maintenance are written off as they are incurred. The charity only capitalises items costing more than £10,000.

Depreciation is provided so as to write off the cost of fixed assets to their estimated residual values over their expected useful lives, as follows:

Freehold property	- Land is not depreciated
	Listed buildings - Straight line over 350 years
	Non-listed buildings - Straight line over 80 years
	Other land and buildings - Straight line over 25-50 years
Long leasehold	- Straight line over 80 years, or lease period if shorter
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- Straight line over 4 years

Depreciation is charged on a monthly basis from the calendar month following acquisition or on the bringing into use of the asset, whichever is the later. A full month is charged in the month of disposal.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less impairment.

Fixed assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value.

Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

Current asset investments

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Current asset investments are measured at cost and comprise of cash balances set aside in separate bank accounts for specific restricted purposes.

STOCKS

Stock is included at the lower of cost or net realisable value after making due allowance for obsolete and slow moving items. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FINANCIAL INSTRUMENTS

Concessionary loans

The charity meets the definition of a Public Benefit Entity ("PBE") and applies the measurement provisions of FRS 102 paragraphs PBE34.89-PBE34.97 to all its concessionary loans.

Other financial instruments

The charity has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments that are not concessionary loans.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income or expenditure.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in income or expenditure.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Impairment

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in income or expenditure.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in income or expenditure.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>368,939</u>	<u>503,841</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>3,986</u>	<u>1,177</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Festivals	International Festivals	3,044,728	2,345,201
Tharpa Publications	Tharpa Publications	303,877	257,743
Manjushri Centre Activities	Manjushri Kadampa Meditation Centre	746,285	766,734
Shop and World Peace Cafe	Shop and World Peace Cafe	422,351	384,185
Kadampa Art Studio Activities	Kadampa Art Studio and Internet	72,832	38,398
Properties Income	Properties Income	<u>96,946</u>	<u>95,591</u>
		<u>4,687,019</u>	<u>3,887,852</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Grants Payable	-	64,808	-	64,808
International Festivals	957,134	-	10,848	967,982
Tharpa Publications	213,715	-	3,255	216,970
Manjushri Kadampa Meditation Centre	1,399,617	-	24,355	1,423,972
Kadampa Art Studio and Internet	274,985	-	4,797	279,782
Properties Expenditure	65,301	-	90,914	156,215
International Kadampa Development	399,679	-	253,064	652,743
	<u>3,310,431</u>	<u>64,808</u>	<u>387,233</u>	<u>3,762,472</u>

Included within International Kadampa Development support costs are exchange losses of £192,890 and a provision for unrecoverable debts of £4,192.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

6. GRANTS PAYABLE

	2023	2022
	£	£
Grants Payable	<u>64,808</u>	<u>78,559</u>
The total grants paid to institutions during the year was as follows:		
	2023	2022
	£	£
Gifts to Centres	<u>64,808</u>	<u>78,559</u>
Gifts to Centres include the following donations:		
	2023	2022
	£	£
Grants for Kadampa Art Studio - 2023: 11 (2022: 4)	52,337	29,337
Gifts to Centres - 2023: 5 (2022: 8)	<u>12,471</u>	<u>49,222</u>
	<u>64,808</u>	<u>78,559</u>

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
International Festivals	8,659	-	2,189	10,848
Tharpa Publications	2,433	235	587	3,255
Manjushri Kadampa Meditation Centre	16,316	3,912	4,127	24,355
Kadampa Art Studio and Internet	3,828	-	969	4,797
Properties Expenditure	3,442	-	87,472	90,914
International Kadampa Development	<u>52,175</u>	<u>-</u>	<u>200,889</u>	<u>253,064</u>
	<u>86,853</u>	<u>4,147</u>	<u>296,233</u>	<u>387,233</u>

Activity	Basis of allocation
Management	NKT administrative employees
Finance	NKT administrative employees
Governance costs	NKT administrative employees

Within International Kadampa Development costs is a provision for unrecoverable debts of £4,192 included within management costs and exchange losses of £192,890, included within governance costs.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	174,240	105,827
Deficit on disposal of fixed assets	20,548	-
Exchange (gains)/losses	192,890	(268,050)
Provision for unrecoverable loans	<u>4,192</u>	<u>68,939</u>

9. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>12,075</u>	<u>11,500</u>
Audit-related assurance services	<u>3,796</u>	<u>2,725</u>
Total fees payable	<u>15,871</u>	<u>14,225</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

	2023	2022
	£	£
Trustees' salaries	<u>8,136</u>	<u>7,736</u>

As permitted by section 5.4 of the Memorandum of Association, during the year Heather C. Wright (aka Kelsang Dekyong) received the standard remuneration applicable to all officers and staff members of the charity amounting to £8,136 (2022: £7,736) for her role as a General Spiritual Director.

No other trustees' received any remuneration or benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	306,113	269,876
Other pension costs	32,614	34,725
	<u>338,727</u>	<u>304,601</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Manjushri Centre	10	10
Tharpa Publications	5	4
Kadampa Art Studio and Internet	15	14
Kadampa Development	4	3
Support and Administration	5	5
	<u>39</u>	<u>36</u>

No employees received emoluments in excess of £60,000.

All charity employees receive the same standard staff remuneration which applies across all departments and to all offices of the charity. The level of the standard staff remuneration of the charity accords with the principle of Buddhist practice through public service.

Volunteers

All aspects of the day to day functioning of Manjushri KMC, Conishead Priory, are run by members of the residential community together with volunteers from the extended community in the local area. The support of the community, as an expression of their service to the public, means that the charity can operate with relatively low staff numbers.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	366,385	137,456	503,841
Charitable activities			
International Festivals	2,345,201	-	2,345,201
Tharpa Publications	257,743	-	257,743
Manjushri Kadampa Meditation Centre	766,734	-	766,734
Shop and World Peace Cafe	384,185	-	384,185
Kadampa Art Studio and Internet	38,398	-	38,398
Properties Income	95,591	-	95,591
Investment income	1,177	-	1,177
Total	<u>4,255,414</u>	<u>137,456</u>	<u>4,392,870</u>
EXPENDITURE ON			
Charitable activities			
Grants Payable	78,559	-	78,559

**NEW KADAMPA TRADITION -
INTERNATIONAL KADAMPA
BUDDHIST UNION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
International Festivals	667,897	750	668,647
Tharpa Publications	169,412	-	169,412
Manjushri Kadampa Meditation Centre	1,087,953	4,030	1,091,983
Kadampa Art Studio and Internet	115,827	2,666	118,493
Properties Expenditure	59,771	-	59,771
International Kadampa Development	61,925	300	62,225
Total	<u>2,241,344</u>	<u>7,746</u>	<u>2,249,090</u>
NET INCOME	2,014,070	129,710	2,143,780
Transfers between funds	<u>2,954,211</u>	<u>(2,954,211)</u>	<u>-</u>
Net movement in funds	4,968,281	(2,824,501)	2,143,780
RECONCILIATION OF FUNDS			
Total funds brought forward	35,349,163	2,844,190	38,193,353
TOTAL FUNDS CARRIED FORWARD	<u>40,317,444</u>	<u>19,689</u>	<u>40,337,133</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2023	26,941,591	2,628,859	380,077	34,234	29,984,761
Additions	2,725,866	237,083	96,898	2,750	3,062,597
Disposals	(177,989)	-	-	-	(177,989)
At 31 December 2023	<u>29,489,468</u>	<u>2,865,942</u>	<u>476,975</u>	<u>36,984</u>	<u>32,869,369</u>
DEPRECIATION					
At 1 January 2023	509,463	114,020	249,441	22,204	895,128
Charge for year	127,595	22,804	19,595	4,246	174,240
Eliminated on disposal	(1,460)	-	-	-	(1,460)
At 31 December 2023	<u>635,598</u>	<u>136,824</u>	<u>269,036</u>	<u>26,450</u>	<u>1,067,908</u>
NET BOOK VALUE					
At 31 December 2023	<u>28,853,870</u>	<u>2,729,118</u>	<u>207,939</u>	<u>10,534</u>	<u>31,801,461</u>
At 31 December 2022	<u>26,432,128</u>	<u>2,514,839</u>	<u>130,636</u>	<u>12,030</u>	<u>29,089,633</u>

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14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2023 and 31 December 2023	2,109
NET BOOK VALUE	
At 31 December 2023	<u>2,109</u>
At 31 December 2022	<u>2,109</u>

The net book value of investments comprises:

	2023 £	2022 £
Investments in the UK	-	-
Investments outside the UK	<u>2,109</u>	<u>2,109</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

New Kadampa Tradition KMC Spain S.L.

Registered office: Registered in Spain

Nature of business: Rental services

	% holding		2023 £	2022 £
Class of share:				
Ordinary	100			
Aggregate capital and reserves			(170,785)	(177,747)
Profit/(loss) for the year			<u>675</u>	<u>(2,725)</u>

The summary results for the year were as follows:

	2023 £	2022 £
Gross income	675	-
Expenditure	-	(2,725)
Surplus/(Deficit)	<u>675</u>	<u>(2,725)</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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15. STOCKS

	2023	2022
	£	£
Goods for resale	<u>454,677</u>	<u>409,242</u>

16. DEBTORS

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	25,402	138,505
Concessionary loans to Centres	12,416,401	12,867,650
VAT	28,266	39,253
Prepayments and accrued income	3,425	3,656
	<u>12,473,494</u>	<u>13,049,064</u>
Amounts falling due after more than one year:		
Concessionary loans to Centres	<u>1,074,968</u>	<u>881,882</u>
Aggregate amounts	<u>13,548,462</u>	<u>13,930,946</u>

Concessionary loans to centres are interest-free and stated after taking into consideration provisions against potentially unrecoverable debts of £801,696 (2022: £797,504). Loans repayable on demand are classed as current assets. Fixed term loans are repayable in full at a future date as stated within the loan agreements and are classed as current asset or long term assets as appropriate to the repayment date in each agreement.

Included within concessionary loans are loans for which the following securities have been pledged:

- £193,410 (2022: £220,067) loan to KMC Cape Town, South Africa, secured against property owned by Tushita KBC
- £1,295,957 (2022: £1,295,957) loan to KMC Mexico, Mexico, secured against property owned by KMC Mexico
- £1,669,957 (2022: £1,703,210) loan to KMC Stockholm, Sweden, secured against property owned by Kadampa Meditationscenter Stockholm (KMC Stockholm)
- £1,370,301 (2022: £1,370,301) loan to Nordic KMC, Norway, secured against property owned by Nordisk Kadampa Meditasjonscenter (Nordic KMC)

In line with the objectives and aims of the charity, the concessionary loans have been provided to other Centres in order to support those Centres to increase the Buddhist Faith throughout the world.

The concessionary loans to Centres, before provision for potentially unrecoverable debts is comprised of:

	2023	2022
	£	£
Loans due within one year - 2022: 28 (2022: 33)	13,218,097	13,665,153
Loans due after more than one year - 2022: 5 (2022: 4)	1,074,968	881,882
	<u>14,293,065</u>	<u>14,547,035</u>

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17. CURRENT ASSET INVESTMENTS

	2023	2022
	£	£
Cash held on deposit	<u>144,787</u>	<u>147,996</u>

Cash held on deposit relates to funds required by the Spanish Government to be set aside until the completion of the Spanish Temple Project. These funds are required to be held on deposit until approval has been granted by the Spanish Government that these funds can be released.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 20)	1,012,230	1,019,709
Other loans (see note 20)	3,963,715	2,633,292
Trade creditors	352,017	51,369
Other creditors	19,239	19,666
Accruals and deferred income	108,424	117,009
	<u>5,455,625</u>	<u>3,841,045</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 20)	<u>463,059</u>	<u>1,451,980</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	1,012,230	1,019,709
Concessionary loans	<u>3,963,715</u>	<u>2,633,292</u>
	<u>4,975,945</u>	<u>3,653,001</u>
Amounts falling between one and two years:		
Bank loans 1-2 years	<u>170,542</u>	<u>999,694</u>
Amounts falling due between two and five years:		
Bank loans 2-5 years	<u>292,517</u>	<u>452,286</u>

Concessionary loans are interest-free. Loans repayable on demand are classed as current liabilities. Fixed term loans are repayable in full at a future date as stated within the loan agreements and are classed as current liabilities or long term liabilities as appropriate to the repayment date in each agreement.

Concessionary loans is comprised of:

2023	2022
£	£

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20. LOANS - continued

Other loans from Centres - 2022: 5 (2022: 5)	3,902,715	2,572,292
Loans from individuals - 2022: 3 (2022: 3)	61,000	61,000
	<u>3,963,715</u>	<u>2,633,292</u>

21. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	<u>1,475,289</u>	<u>2,471,689</u>

Secured bank loans is comprised of two term loans:

£	Loan date	Term	Interest rate
629,875	2 June 2012	15 years	3.18% over base
845,414	14 June 2019	5 years	2.35% over base

Properties with a combined net book value of £9,021,085 have been pledged as security against secured debts.

22. MOVEMENT IN FUNDS

	At 1/1/23	Net movement	Transfers	At
	£	in funds	between	31/12/23
		£	funds	£
			£	
Unrestricted funds				
General funds	33,405,366	1,263,158	2,246,339	36,914,863
Designated Funds	6,912,078	-	(2,227,078)	4,685,000
	<u>40,317,444</u>	<u>1,263,158</u>	<u>19,261</u>	<u>41,599,863</u>
Restricted funds				
Other Funds	19,689	34,314	(19,261)	34,742
TOTAL FUNDS	<u>40,337,133</u>	<u>1,297,472</u>	<u>-</u>	<u>41,634,605</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General funds	5,006,979	(3,743,821)	1,263,158
Restricted funds			
Other Funds	52,965	(18,651)	34,314
TOTAL FUNDS	<u>5,059,944</u>	<u>(3,762,472)</u>	<u>1,297,472</u>

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22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General funds	28,539,163	2,014,070	2,852,133	33,405,366
Designated Funds	6,810,000	-	102,078	6,912,078
	<u>35,349,163</u>	<u>2,014,070</u>	<u>2,954,211</u>	<u>40,317,444</u>
Restricted funds				
Spanish Temple Fund	574,142	-	(574,142)	-
Leeds Property	2,250,660	-	(2,250,660)	-
Other Funds	19,388	129,710	(129,409)	19,689
	<u>2,844,190</u>	<u>129,710</u>	<u>(2,954,211)</u>	<u>19,689</u>
TOTAL FUNDS	<u>38,193,353</u>	<u>2,143,780</u>	<u>-</u>	<u>40,337,133</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	4,255,414	(2,241,344)	2,014,070
Restricted funds			
Spanish Temple Fund	2,544	(2,544)	-
Other Funds	134,912	(5,202)	129,710
	<u>137,456</u>	<u>(7,746)</u>	<u>129,710</u>
TOTAL FUNDS	<u>4,392,870</u>	<u>(2,249,090)</u>	<u>2,143,780</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General funds	28,539,163	3,277,228	5,098,472	36,914,863
Designated Funds	6,810,000	-	(2,125,000)	4,685,000
	<u>35,349,163</u>	<u>3,277,228</u>	<u>2,973,472</u>	<u>41,599,863</u>
Restricted funds				
Spanish Temple Fund	574,142	-	(574,142)	-
Leeds Property	2,250,660	-	(2,250,660)	-
Other Funds	19,388	164,024	(148,670)	34,742
	<u>2,844,190</u>	<u>164,024</u>	<u>(2,973,472)</u>	<u>34,742</u>
TOTAL FUNDS	<u>38,193,353</u>	<u>3,441,252</u>	<u>-</u>	<u>41,634,605</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	9,262,393	(5,985,165)	3,277,228
Restricted funds			
Spanish Temple Fund	2,544	(2,544)	-
Other Funds	187,877	(23,853)	164,024
	<u>190,421</u>	<u>(26,397)</u>	<u>164,024</u>
TOTAL FUNDS	<u>9,452,814</u>	<u>(6,011,562)</u>	<u>3,441,252</u>

Restricted Income Funds

Spanish Temple Fund

Donations in Spain have been given to provide funds to construct a Kadampa Temple and to extend accommodation in preparation for the Temple in Spain.

Leeds Property Fund

The Leeds Property Fund is to provide funds to renovate the property in Leeds City Centre acquired in 2019 which, once completed, will be used as a Kadampa Meditation Centre at which point it will form part of the charity's unrestricted charitable activities and will be transferred to unrestricted funds.

Other Funds

Other Funds are to account for monies received in respect of small projects.

Unrestricted Income Funds

Designated Fund

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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22. MOVEMENT IN FUNDS - continued

To ensure the charity's ability to further its objects both in the UK and internationally, the trustees have designated funds for the development and support of International Temples Project activities worldwide. The trustees further consider reserves equal to one year's running costs and three years of building repair and maintenance costs a suitable level to protect the charity in case of adverse financial events. This is reviewed annually by the trustees.

General Fund

The general unrestricted fund represents free funds of the charity which can be applied at the discretion of the trustees.

23. CAPITAL COMMITMENTS

	2023	2022
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>56,106</u>

24. RELATED PARTY DISCLOSURES

New Kadampa Tradition KMC Spain S.L.
Subsidiary

At 31 December 2023 £1,274,745 (2022: £1,275,027) was owed by New Kadampa Tradition KMC Spain S.L. before taking into consideration a provision against potentially unrecoverable debts of £170,785 (2022: £175,261).

Key management personnel compensation

The total key management personnel compensation for the year was £31,631 (2022: £27,518).

Income from trustees and key management personnel

Income from trustees and key management personnel for retained sponsorship costs for the year was £25,235 (2022: £22,772).

Other income from trustees and key management personnel was £730 (2022: £1,160).

25. ULTIMATE CONTROLLING PARTY

The charity is controlled by its members.

26. FINANCIAL INSTRUMENTS

The charity has the following financial instruments:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	25,402	138,505
Concessionary loans to Centres (after provision for potential unrecoverable debts)	13,491,369	13,749,532
Cash held on deposit	144,787	147,996
	<u>13,661,558</u>	<u>14,036,033</u>

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26. FINANCIAL INSTRUMENTS - continued

Financial liabilities measured at amortised cost

Bank loans	(1,475,289)	(2,471,688)
Other loans - Concessionary loans	(3,963,715)	(2,633,292)
Trade creditors	(279,729)	(51,369)
	<u>(5,718,733)</u>	<u>(5,156,349)</u>

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