

Kadampa Meditation Centre (KMC) Southampton Ltd

Registered Company Number 03048918

Charity Number 1050611

Kadampa Meditation Centre (KMC) Southampton Ltd
(A Company limited by guarantee)
Trustees' Annual Report and Financial Statements
for the year ended 31 December 2023

Financial Statements for the year ended 31 December 2023

Contents Page

Company Information	2
Report of the Trustees	3 - 5
Independent Examiner's Report To the Trustees	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 15

Report of the Trustees for the year ended 31 December 2023

Company Information

Trustees/Directors	Andrew Collinson Ben Gallagher Jennifer Andrews - resigned 19 February 2024 Mary Cansdale - appointed 19 February 2024
Company Secretary	Gail Mott
Registered Office	21-22 Hanover Buildings Southampton Hampshire SO14 1JU
Registered Charity Name	Kadampa Meditation Centre (KMC) Southan
Registered Company Number	0348918
Registered Charity Number	1050611
Independent Examiner	M R Cooper ACA Welbeck 29 Welbeck Avenue Southampton SO17 1ST
Bankers	<div>BARCLAYS Business Banking</div> <div>P.O. Box 6539 Leicester LE87 2BB</div> <div>TRIODOS Bank</div> <div>Deanery Road, Bristol. BS1 5AS Bristol BS1 5AS</div>

Report of the Trustees for the year ended 31 December 2023

The trustees, who are also Directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ending 31 December 2023

Structure, Governance and Management

Kadampa Meditation Centre Southampton is a registered charity (1050611) and a company limited by guarantee registered in England (03048918) and is governed by its memorandum and articles of association. The directors are the charity trustees for the purposes of the Charities Act 2011. The company's structure, governance and management are set out in detail in the KMC Southampton's constitution. Directors of KMC Southampton are appointed in accordance with the charity's constitution and guidance provided by the Charity Commission. A potential new Director must fully understand and support the objects of the charity and be nominated by two members of the charity. Directors are required to declare their eligibility in accordance with Charity Commission guidance. Nominations must be made in writing and signed by the members making the nomination. Members can only nominate one candidate each. Election of a Director is determined at the AGM by a poll conducted by the chairperson.

Principal activity

The principal activity of the charity is to promote Kadampa Buddhism according to the teachings of Je Tsongkhapa as taught by Venerable Geshe Kelsang Gyatso. To accomplish this aim the company has four principal activities:

- 1 Providing an education programme of drop-in classes, study programmes, retreats, day/weekend courses, public
- 2 Providing the facilities to house a small community of people who wish to study on the education programme and to follow the moral discipline of Kadampa Buddhism.
- 3 Running a shop, which principally sells teaching and ritual materials to facilitate the practice of Kadampa Buddhism.
- 4 Running a simple coffee shop, selling teas, coffees and various pre-packaged food items.

These aims are supported financially through fees from the education programmes, proceeds from the shop/cafe,

How Southampton KMC activities deliver public benefit

Southampton KMC offers the following services to directly deliver public benefit:

- 1 An education programme consisting of meditation classes, courses and retreats. We teach people how to meditate
- 2 A shop selling books and CDs on meditation, ritual objects and gifts.
- 3 A small coffee shop where people can enjoy teas, coffees, cakes and biscuits in peaceful surroundings.
- 4 Free chanted prayers (daily, weekly and monthly) open to all.
- 5 Hosting school and group visits.
- 6 A local volunteer programme.
- 7 Hosting local community events such as Public Talks, organised outreach free activities and participating and supporting local events hosted by other groups in the community.

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Southampton KMC's aims

Report of the Trustees for the year ended 31 December 2023

Review of achievements and performance

Over this financial period, the Centre has benefited from consistently strong numbers of people attending classes. In-person attendance has remained good and the introduction in May of a Members-only, live online option has seen increased Membership revenue. Income from the gift shop, coffee bar and bookshop has grown and the addition of food for day courses and special events has proven successful.

Financial Review

Over the period 1st January to 31st December 2023, the Centre made a surplus of £12,060 (2022: £4,890). Income from our charitable activities was £150,136 (2022: £115,924) and we received generous donations from supporters of £12,244 (2022: £23,847).

Reserves Policy

The policy throughout the period with regard to reserves has been to ensure that there are sufficient free reserves held in bank accounts to cover any unforeseen costs necessary to maintain the Centre building and cover the monthly

Reserves

At the end of the period, the total funds held by the charity were £552,377 (2022: £540,317), of this £484,855 (2022: £481,070) represents the net value of the fixed assets, none (2022: £3,450) is restricted and the remaining £67,522 (2022: £55,795) are free reserves. The Trustees consider that this is sufficient to comply with the reserves policy.

Plans for Future Periods

During the financial year ending 31st December 2024, the Centre will continue to offer classes and courses both at the Centre and in our regional locations within Hampshire, Dorset and West Sussex. The Centre continues to explore ways to further develop our offer to the local and regional communities.

Plans are in place to further develop our Marketing strategy to reach more businesses and broaden our demographic.

Responsibilities of the Trustees

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with

In preparing these financial statements the trustees have:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that are reasonable and prudent and prepared the accounts on a going
- observed the methods and principles in the Charities SORP 2015, UK Accounting Standards and the Charities

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables them to ensure that the accounts comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and, as also required by charity law, ensuring their proper application, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Kadampa Meditation Centre Southampton is a Charity organisation and is claiming partial

- (a) the accounts of the company for the financial year in question are in agreement with the
- (b) having regard only to, and on the basis of, the information in those accounting records, those
- (c) having regard only to, and on the basis of, the information in the accounting records, Kadampa
- (d) the company was entitled to exemption from audit under section 477 of the Companies Act

External Scrutiny

The end of year financial statements will undergo external scrutiny in the form of an independent examination as prescribed in the Charities Commission "Accounting and Reporting by Charities" (SORP 2015).

Report of the Trustees for the year ended 31 December 2023

Serious Incidents

The charity did not encounter any serious incidents this financial year.

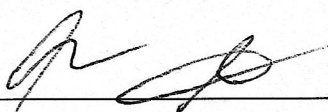
Governing Policies

The charity has in place all necessary governing policies and procedures.

Registered Office:

21-22 Hanover Buildings
Southampton
Hampshire
SO14 1JU

Signed on behalf of the trustees

A handwritten signature in black ink, appearing to be 'Ben Gallagher', written over a horizontal line.

BEN GALLAGHER

Date

13/6/24

Independent Examiner's Report to the Trustees of Kadampa Meditation Centre (KMC) Southampton Ltd

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 December 2023, which are set out on pages 7 to 15.

Responsibilities and basis of report

As the charity's trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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



M R Cooper ACA

Welbeck
29 Welbeck Avenue
Southampton
SO17 1ST

Date: 27 June 2024

Statement of Financial Activities
including summary income and expenditure account
for the year ended 31 December 2023

		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
	Note	£	£	£	£
Income					
<i>Income and endowments from:</i>					
Donations, legacies and grants	2	10,924	1,320	12,244	23,847
Charitable activities	3	150,136	-	150,136	115,924
Other trading activities	4a	4,506	-	4,506	3,973
Investments		568	-	568	40
Other income	4b	-	-	0	750
Total Income		166,134	1,320	167,454	144,534
Expenditure					
Charitable activities	5 & 7	145,921	1,320	147,241	130,897
Other trading activities	6	8,153	-	8,153	8,747
Total Resources Expended		154,074	1,320	155,394	139,644
Net income/(expenditure)		12,060	-	12,060	4,890
Transfers between funds		-	-	-	-
Net movement in funds		12,060	-	12,060	4,890
Reconciliation of funds					
Total funds brought forward		540,317	-	540,317	535,427
Total funds carried forward		552,377	-	552,377	540,317

Balance Sheet
as at 31 December 2023

		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
	Note	£	£	£	£
Fixed Assets					
Tangible Assets	8	1,475,680		1,475,680	1,491,135
Intangible Assets	8a	3,410		3,410	5,194
Total Fixed Assets		<u>1,479,090</u>	<u>-</u>	<u>1,479,090</u>	<u>1,496,329</u>
Current Assets					
Stocks	9	8,839	-	8,839	8,436
Debtors	10	4,593	-	4,593	5,858
Cash at bank and in hand		60,170	-	60,170	50,984
Total Current Assets		<u>73,602</u>	<u>-</u>	<u>73,602</u>	<u>65,278</u>
Creditors: amounts falling due within one year	11	(28,159)	-	(28,159)	(27,054)
Net current assets/(liabilities)		<u>45,442</u>	<u>-</u>	<u>45,442</u>	<u>38,224</u>
Total assets less current liabilities		<u>1,524,532</u>	<u>-</u>	<u>1,524,532</u>	<u>1,534,553</u>
Creditors: amounts falling due after one year	12	(972,155)	-	(972,155)	(994,236)
Total net assets or liabilities		<u>552,377</u>	<u>-</u>	<u>552,377</u>	<u>540,317</u>
Funds of the Charity	13				
Restricted income funds				-	3,450
Unrestricted funds				552,377	536,867
Total Funds				<u>552,377</u>	<u>540,317</u>

For the year ended 31 December 2023 the company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Trustees on 23rd June 2024

and signed on its behalf by

Signature

Date

23/6/24



Print name

BEN GALLAGHER

**Notes to the accounts
for the year ended 31 December 2023**

1. Statement of accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated

Kadampa Meditation Centre Southampton meets the definition of a public benefit entity under FRS102.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial

Going concern

At the time of signing the accounts, the Trustees once again considered the ongoing fallout from the pandemic and necessary related disclosures on the going concern position.

On that basis the Trustees have prepared these financial statements on a going concern basis.

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

Expenditure is recognised in the period in which it is incurred.

All fixed assets are initially recorded at cost.

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

The fit out costs (Leasehold Improvements) of the property at Hanover Buildings have been capitalised and will be depreciated over a 20 year period (the shorter of the lease (999 years) and the useful economic life of the

Fixtures & Fittings at the rate of 10% per annum, straight line

Motor Vehicles at the rate of 25% per annum, straight line

Office Equipment at the rate of 25% per annum, straight line

Website (Intangibles) at the rate of 20% per annum, straight line

Leasehold Improvements at the rate of 5% per annum, straight line

Stock represents items for resale in the shop and is valued at the lower of cost and net realisable value, after making due allowance for obsolete items, in accordance with FRS102.

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount

The charity has creditors which are measured at settlement amounts less any trade discounts. A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

Notes to the accounts
for the year ended 31 December 2023

2. Income from donations and legacies

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
	£	£	£	£
Donations and legacies	9,555	1,320	10,875	20,796
Gift Aid recovered	1,369	-	1,369	3,051
Grants received	-	-	-	-
	10,924	1,320	12,244	23,847

Restricted funds of £1,320 received in the 12 month period ending 31st December 2023 were given towards the expenses of the Resident Teacher at KMC Southampton

3. Income from Charitable activities

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
	£	£	£	£
Education	115,576	0	115,576	90,738
Centre	19,950	-	19,950	15,810
Bookshop/Ritual	6,315	-	6,315	3,633
Coffee shop	8,295	-	8,295	5,743
	150,136	0	150,136	115,924

4. Income from other activities

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
	£	£	£	£
4a. Trading - Gift shop & Fundraising Events	4,506	-	4,506	3,973
4b. Other Income	0	-	0	750
	4,506	0	4,506	4,723

5. Expenditure on Charitable activities

	2023 Unrestricted	2023 Restricted	2023 Total	2022 Total
	£	£	£	£
a) Education expenditure				
Venue, travel and other event costs	15,518	-	15,518	9,763
Advertising, marketing and publicity	12,513	-	12,513	10,820
Livestreaming IT costs	1,190	-	1,190	1,523
Meditation room costs	3,192	-	3,192	2,488
Sponsorship and Guest Teacher costs	4,316	1,320	5,636	5,992
Support costs (apportioned)	40,870	-	40,870	39,000
	77,599	1,320	78,919	69,586

**Notes to the accounts
for the year ended 31 December 2023**

b) Centre expenditure

Property service charges (Residential Flats)	3,550	-	3,550	2,939
Residential Flats expenditure	289	-	289	96
Support costs (apportioned)	42,078	-	42,078	39,497
	45,917	-	45,917	42,532

c) Coffee shop expenditure

Coffee shop purchases (stock)	2,953	-	2,953	2,742
Coffee shop expenses	2,200	-	2,200	1,455
Support costs (apportioned)	6,536	-	6,536	6,009
	11,689	-	11,689	10,206

d) Book/Ritual expenditure

Book/Ritual purchases (stock)	4,180	-	4,180	2,564
Support costs (apportioned)	6,536	-	6,536	6,009
	10,716	-	10,716	8,573

e) Support costs

	Charitable activities						Giftshop
	Total 2022	Total 2023	Education	Centre	Coffeeshop	Book/ Ritual shop	
Mortgage interest payable	29,565	35,218	10,564	15,144	3,170	3,170	3,170
Maintenance, security and health & safety costs	5,210	6,190	2,787	2,476	309	309	309
Utilities	15,887	17,558	7,901	7,023	878	878	878
Property service charges (Commercial Building)	1,053	1,403	632	561	70	70	70
Insurance	2,260	2,035	915	814	102	102	102
Office and administration costs	4,100	5,046	2,272	2,018	252	252	252
Staff Costs (including stipend)	11,725	8,700	3,915	3,480	435	435	435
Accountancy and Independent Examination	570	516	232	206	26	26	26
Legal & Professional Fees	60	48	23	19	2	2	2
Bank and credit card charges	1,814	2,245	1,011	898	112	112	112
Motor vehicle and travel costs	486	180	81	72	9	9	9
Charitable donations	3,500	3,600	1,620	1,440	180	180	180
Depreciation	20,294	19,817	8,917	7,927	991	991	991
Total Costs	96,524	102,556	40,870	42,078	6,536	6,536	6,536

Mortgage costs are allocated on the basis of the purchase cost of each section of the property.
All other support costs are apportioned based on an estimation of time spent by support staff on each area of activity.

**Notes to the accounts
for the year ended 31 December 2023**

6. Expenditure on Other trading activities

Gift shop expenditure	2023	2023	2023	2022
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Gift shop purchases	1,611	-	1,611	2,717
Gift shop expenses	6	-	6	21
Support costs (apportioned)	6,536	-	6,536	6,009
	8,153	-	8,153	8,747

7. Details of certain types of expenditure

Fees for the examination of the accounts:

	2023	2022
	£	£
Independent examiner's fees	300	300
Accounts preparation fees paid to Independent Examiner	300	
	600	300

8. Tangible Fixed Assets

	Leasehold Property	Furniture & Fittings	Office Eqpt	Cafe Eqpt	Leasehold Imprvmts	Computer Eqpt	Total
Cost or valuation	£	£	£	£	£	£	£
at 1 January 2023	1,270,000	29,582	4,169	6,293	282,043	5,416	1,597,503
Additions	-	392	735	1,453	-	-	2,580
Disposals	-	-	-	-	-	-	-
at 31 December 2023	1,270,000	29,974	4,904	7,746	282,043	5,416	1,600,083

Depreciation

at 1 January 2023	-	(20,067)	(4,031)	(5,134)	(73,930)	(3,206)	(106,368)
Charge for year	-	(1,527)	(230)	(832)	(14,104)	(1,342)	(18,035)
Disposals	-	-	-	-	-	-	-
at 31 December 2023	-	(21,594)	(4,261)	(5,966)	(88,034)	(4,548)	(124,403)

Net book value

at 1 January 2023	1,270,000	9,515	138	1,159	208,113	2,210	1,491,135
at 31 December 2023	1,270,000	8,380	642	1,779	194,009	868	1,475,680

8a. Intangible Fixed Assets

	Website	Total
Cost or valuation	£	£
at 1 January 2023	8,920	8,920
Additions	-	-
Disposals	-	-
at 31 December 2023	8,920	8,920

Depreciation

at 1 January 2023	(3,726)	(3,726)
Charge for year	(1,784)	(1,784)
at 31 December 2023	(5,510)	(5,510)

Net book value

at 1 January 2023	5,194	5,194
at 31 December 2023	3,410	3,410

Notes to the accounts
for the year ended 31 December 2023

9. Stocks	2023	2022
	£	£
Stock of items for resale	8,839	8,436
10. Debtors	2023	2022
	£	£
Prepayments	1,351	1,327
Other debtors	3,242	4,531
	<u>4,593</u>	<u>5,858</u>
11. Creditors: Amounts falling due within one year	2023	2022
	£	£
Trade creditors	617	799
Accruals	1,441	2,070
Prepaid funds for courses not yet given	2,401	1,472
Mortgage capital repayments due within one year	22,080	21,023
Other creditors	1,620	1,690
	<u>28,159</u>	<u>27,054</u>
12. Creditors: Amounts falling due after more than one year	2023	2022
	£	£
Mortgage	682,155	704,236
<i>Loans from Kadampa Meditation Centres:</i>		
Madhyamaka Kadampa Meditation Centre Ltd	40,000	40,000
Bodhisattva Kadampa Meditation Centre	200,000	200,000
Tara Kadampa Meditation Centre Ltd	50,000	50,000
	<u>972,155</u>	<u>994,236</u>

The bank loan of £682,155 (2022: £704,236) is the Triodos mortgage on the commercial and residential buildings at 21-22 Hanover Buildings drawn down on during 2017. The loan is repayable over a 25 year term.

The loans from other Kadampa Meditation Centres were given to cover the unbudgeted VAT costs on the purchase of the commercial building and part of the fit out costs at 21-22 Hanover Buildings. The constitution of each KMC explicitly states that they will support other KMCs in this way. We have received written confirmation from each of the KMCs stating that the loans will not be recalled before 31 July 2025

Notes to the accounts
for the year ended 31 December 2023

13. Charity Funds

Details of material funds held and movements during the CURRENT reporting period (year ended 31 December 2023)						
Fund names	Purpose & Restriction	Fund balances b/fwd	Income	Expenditure	Transfers	Fund balances c/fwd
		£	£	£	£	£
General funds		540,317	166,134	(154,074)	-	552,377
Resident Teacher Support	Donation towards the Resident Teacher's expenses	-	1,320	(1,320)		-
Total funds as per balance sheet		540,317	167,454	(155,394)	-	552,377

Details of material funds held and movements during the PREVIOUS reporting period (year ended 31 December 2022)						
Fund names	Purpose & Restriction	Fund balances b/fwd	Income	Expenditure	Transfers	Fund balances c/fwd
		£	£	£	£	£
General funds		535,427	139,764	(138,324)	-	536,867
Resident Teacher Support	Donation towards the Resident Teacher's expenses	-	1,320	(1,320)	-	-
Cafe & Kitchen Refurbishment	Donation	-	3,450		-	3,450
Total funds as per balance sheet		535,427	144,534	(139,644)	-	540,317

14. Staff and trustee costs

Three residents at the Meditation centre (who are part of the community) have received rental costs in kind, a nominal expenses allowance and a food and cleaning products allowance. These are the Resident Teacher, Administrative Director, and Treasurer. Although referred to as staff, they are not classed as employees.

Staff numbers	2023	2022
Resident Teacher	1	1
Education Programme Co-ordinator	-	1
Administrative Director	1	1
Treasurer	1	1
	£	£
Staff costs (including stipend)	14,040	17,425

15. Related Party Transactions

	£	£
Trustees made aggregate donations of	300	1,250

There were no other related party transactions

Notes to the accounts
for the year ended 31 December 2023

16. Statement of Financial Activities - Prior Year

	2022 Unrestricted	2022 Restricted	2022 Total
	£	£	£
Income			
<i>Income and endowments from:</i>			
Donations, legacies and grants	19,077	4,770	23,847
Charitable activities	115,924	-	115,924
Other trading activities	3,973	-	3,973
Investments	40	-	40
Other income	750	-	750
Total Income	139,764	4,770	144,534
Expenditure			
Charitable activities	129,577	1,320	130,897
Other trading activities	8,747	-	8,747
Total Resources Expended	138,324	1,320	139,644
Net income/(expenditure)	1,440	3,450	4,890
Transfers between funds	-	-	-
Net movement in funds	1,440	3,450	4,890
Reconciliation of funds			
Total funds brought forward	535,427	-	535,427
Total funds carried forward	536,867	3,450	540,317

Restricted funds of £4,770 received in the 12 month period ending 31st December 2022 were donations as follows: £1,320 given towards the expenses of the Resident Teacher at KMC Southampton and £3450 was towards the refurbishment of the Cafe & Kitchen