

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
(A company limited by guarantee)

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TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	P J Jones C M Mitchell N Bustin P M Pretsell S Masters M P Jackson K J MacLachlan
Company registered number	02601222
Charity registered numbers	1053425 and SC 039513
Registered office	European Centre Bounstead Road Colchester Essex CO2 0DE
Independent auditors	Larking Gowen LLP Chartered Accountants 1 Claydon Business Park Great Blakenham Ipswich IP6 0NL
Bankers	HSBC Bank plc 99 High Street Chelmsford Essex CM1 1EQ Bank of Scotland plc 10-16 King Edward Street Perth PH1 5UT

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the financial statements for the year ended 31 December 2022. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Taoist Tai Chi Society of Great Britain's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Act (Scotland) Regulations 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", effective from 1 January 2019.

Structure, governance and management

a. CONSTITUTION

The company is registered as a charitable company limited by guarantee incorporated on 12 April 1991 and was set up by a Memorandum of Association, which was last updated on 5 December 2022.

Governing Documents

The Memorandum and Articles of Association and Byelaws are under continuous review by the National Board. This is part of an ongoing process to ensure that these documents give a wholly accurate and suitable description of the Society to the various legislative bodies. The Articles and Byelaws were updated in line with changes in company law, our wish to safeguard the teachings of Master Moy Lin Shin for future generations and our developing understanding of his teachings.

b. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The members of the National Board (NB), who are also the directors for the purposes of company law, who served during the year were:

N Bustin
P J Jones
S Masters
C M Mitchell
P Pretsell
M P Jackson
K J MacLachlan

The Society is run predominantly by volunteers as a way of training to develop selflessness and harmony through working together.

The Society is managed by the National Board (NB). Directors are appointed by a resolution of the members of the NB (either in their capacity as company members or directors)

Trustees are selected from long serving members of the Society who have a good understanding of the nature of Taoist Tai Chi™ arts, and are committed to developing their training and the training of others.

In 2022 the Society was organised into 13 branches reporting to the National Board through three regions; Eastern region coordinating 5 branches, Northern region coordinating 3 branches and the Western region, comprised of the remaining 5 branches.

The TTCS of GB benefits from the guidance and support of the Fung Loy Kok Institute of Taoism (FLK) and the European Regional Council (ERC), as well as all the other organisations around the world that follow similar objects and work in affiliation with FLK.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

c. RISK MANAGEMENT

The Society follows an annual accreditation procedure for leaders in training to ensure that all members receive appropriate opportunities to improve themselves and help others.

The Society has substantial insurance cover including public liability.

The NB continues to review policies and procedures on a regular basis. Support is also provided via chartered accountants Larking Gowen, and consultants for health and safety and employment, NatWest Mentor. Professional legal advice is sought from solicitors as and when needed.

The Trustees continue to assess potential risks to which the Society is exposed using Charities Commission guidance. A Risk Register is kept to record and assess the risks and the actions taken to minimise them, where appropriate.

Still exercising caution since the pandemic, our activities continued through online meetings, discussions and chanting sessions via video conferencing and other media to support self-practise. In-person activities started once again with appropriate precautions.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The objects of the TTCS of GB set out in the Memorandum and Articles of Association were amended to reflect more clearly our intentions as an organisation. The current objectives are now:

- (a) The protection and preservation of good health within the community throughout Great Britain and internationally through the promotion and practice of all levels of Taoist Tai Chi™ arts.
- (b) To advance education and training in Taoist Religion, Philosophy, Traditions and Arts as promoted by the Society's founder Master Moy Lin Shin.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

The objects were met this year by offering opportunities to chant and learn more about Taoist Religion, Philosophy, Traditions and Arts as promoted by the Society's founder Master Moy Lin Shin, through video conference calls, and in-person sessions.

There were regular national, regional and branch meetings and training sessions, led by National and Regional leaders.

There were celebrations of Taoist and Confucian festivals throughout the year, open to all members.

c. PUBLIC BENEFIT

By making Mr Moy's teachings available to all who want to learn, in 2022, the Taoist Tai Chi Society of Great Britain complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. REVIEW OF ACTIVITIES

Membership

73 new members enrolled during 2022 (0 enrolled in 2021), and at the end of the year total membership stood at 892 (compared to 1226 at the end of 2021). 402 members lapsed in 2022 (compared to 2094 in 2021).

Administrative Structure

The National Board delegate responsibilities to the sub committees of Regional Council and Branch Committee offering more people the opportunity to learn about Taoism, balance and harmony, by working together for the administration.

Instruction

At the end of 2022 there were 93 leaders in training compared to 124 in 2021.

All leaders in training are volunteers and receive no material reward for their contribution. They participate in continuing and regular training and are accredited on an annual basis.

The GB Board wish to express thanks to the FLK Board of directors and advisors, and members of the European Regional Council for their support, guidance and inspiration through this difficult time, prioritising our safety and health above all else.

Our Homes in Great Britain

The Society in GB currently owns one property located in Colchester. The building in Maldon was sold this year to help the Society financially.

Overseas Donations

Following the sale of the Maldon property, the Society made donations to FLK affiliates overseas to assist with their property loan repayments. In doing so our affiliates can continue to promote and practice all levels of Taoist Tai Chi™ arts.

Employment

During 2022:

Wallace Gilbraith continued to be employed as a part-time web and ICT administrator

Carol Danenbergs continued to be employed as finance administrator

Paul Davies continued to be employed as general manager

A temporary agency bookkeeper was also employed.

b. FUNDRAISING

Fundraising continued through 2022. Throughout the year a number of members made individual donations to the Society to help support the Taoist Tai Chi™ community. The trustees would like to offer heartfelt thanks to them for their generosity and compassion.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

c. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Contribution of Volunteers

Volunteering is integral to the spirit of the Society and the training that is offered. All leaders and administrators carry out their roles on a voluntary basis, giving from the heart, and all members are encouraged to take advantage of volunteering opportunities.

Financial review

a. RESERVES POLICY

The trustees endeavour to retain cash reserves to cover monthly costs in case of unexpected financial challenges. All other funds are made available to our International Projects Fund to meet our aim, of promoting and practising all levels of Taoist Tai Chi™ arts within the community throughout Great Britain and internationally, for the protection and preservation of good health.

To this end, the TTCS GB aims to have an approximate minimum of three months outgoings in free reserve, to cover operating costs. No limit has been placed on the amount of reserves that may be held and the level is kept under regular review to ensure that there are sufficient reserves to fulfil the running of the Society in GB and to fully support International Projects.

At the balance sheet date the charity's free reserves, calculated as net current assets, amounted to £709,566 (2021: £328,850).

b. FINANCIAL REVIEW OF ACTIVITIES

Membership subscriptions decreased from £239,758 in 2021 to £151,153 in 2022. Total incoming resources increased from £252,387 in 2021 to £510,107 in 2022 which includes the profit on sale of fixed assets of £332,697 (2021: £nil). Direct charitable expenditure decreased from £120,321 to £97,011. Support costs increased during the year from £130,616 in 2021 to £132,096 in 2022. Governance costs increased from £4,050 to £12,600. Grants to overseas Tai Chi Societies decreased from £450,975 in 2021 to £133,660 in 2022. Overall, net income for the year was £146,705 compared to £449,553 net expenditure in 2021.

Having sold the building in Maldon the Society was able to help other FLK affiliates in Spain and Netherlands, with their loan payments.

c. INVESTMENTS POLICY

The trustees invested some Society finances in a short term interest account with HSBC and continue to do so.

Plans for the future

a. FUTURE DEVELOPMENTS

The aims of the Society are to continue to advance education and training in Taoist Religion, Philosophy, Traditions and Arts for the protection and preservation of good health within the community throughout Great Britain and internationally.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's

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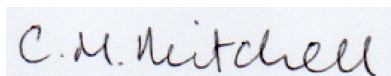
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

auditors are unaware, and

- the Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees and signed on their behalf by:



.....
C M Mitchell
Trustee



.....
S Masters
Co-President
Date: 26 September 2023

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF TAOIST TAI CHI
SOCIETY OF GREAT BRITAIN**

Opinion

We have audited the financial statements of Taoist Tai Chi Society of Great Britain (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2022 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, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 United Kingdom, including the Financial Reporting Council'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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF TAOIST TAI CHI
SOCIETY OF GREAT BRITAIN (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

Opinion 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF TAOIST TAI CHI
SOCIETY OF GREAT BRITAIN (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF TAOIST TAI CHI
SOCIETY OF GREAT BRITAIN (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' report 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.

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

Due to the field in which the Charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: healthy and safety; employment laws; GDPR, safeguarding, serious incident reporting and compliance with the UK Companies Act.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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 Auditors' report.

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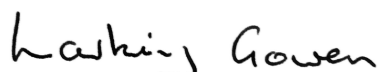
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF TAOIST TAI CHI
SOCIETY OF GREAT BRITAIN (CONTINUED)**

Other matters

Comparative information in the financial statements is derived from the company's prior period financial statements which were not audited.

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, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Giles Kerkham FCA DChA (Senior statutory auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

1 Claydon Business Park

Great Blakenham

Ipswich

IP6 0NL

Date: 27 September 2023

Larking Gowen LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	3,561	3,561	285
Charitable activities	4	162,791	162,791	241,140
Fundraising	5	11,058	11,058	10,962
Other income	6	332,697	332,697	-
Total income		510,107	510,107	252,387
Expenditure on:				
Raising funds	7	635	635	28
Charitable activities		362,767	362,767	701,912
Total expenditure		363,402	363,402	701,940
Net movement in funds		146,705	146,705	(449,553)
Reconciliation of funds:				
Total funds brought forward		1,036,321	1,036,321	1,485,874
Net movement in funds		146,705	146,705	(449,553)
Total funds carried forward		1,183,026	1,183,026	1,036,321

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 15 to 28 form part of these financial statements.

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REGISTERED NUMBER: 02601222

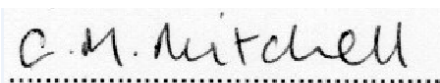
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	473,460	707,471
Current assets			
Stocks	14	2,938	3,129
Debtors	15	6,716	6,900
Cash at bank and in hand		748,920	380,875
		<u>758,574</u>	<u>390,904</u>
Creditors: amounts falling due within one year	16	(49,008)	(62,054)
Net current assets / liabilities		<u>709,566</u>	<u>328,850</u>
Total net assets		<u><u>1,183,026</u></u>	<u><u>1,036,321</u></u>
Charity funds			
Unrestricted funds		<u>1,183,026</u>	<u>1,036,321</u>
Total funds		<u><u>1,183,026</u></u>	<u><u>1,036,321</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
C M Mitchell
Trustee
Date: 26 September 2023

The notes on pages 15 to 28 form part of these financial statements.

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	17	(179,608)	(469,012)
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		547,653	504,801
Net cash from investing activities		547,653	504,801
Cash flows from financing activities			
Repayment of other loans		-	(133,946)
Net cash used in financing activities		-	(133,946)
Change in cash and cash equivalents in the year		368,045	(98,157)
Cash and cash equivalents at the beginning of the year		380,875	479,032
Cash and cash equivalents at the end of the year	18	748,920	380,875

The notes on pages 15 to 28 form part of these financial statements

TAOIST TAI CHI SOCIETY OF GREAT BRITAIN
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Taoist Tai Chi Society of Great Britain is a company limited by guarantee incorporated in England and Wales, registered number 02601222. The registered office is European Centre, Bounstead Road, Colchester, Essex, C02 ODE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Taoist Tai Chi Society of Great Britain meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling and rounded to the nearest pound £.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Trustees have considered the company's position at the time of signing the financial statements including cash available, and projections for the ongoing running costs.

Based on this, the Trustees have concluded that they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future being no less than twelve months from the date of approving these accounts. They continue to adopt the going concern basis of accounting in preparing the financial statements

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the company, can be reliably measured.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold and other property	- 2% straight line
Fixtures and fittings	- 25% reducing balance
Computer equipment	- 25% straight line

2.7 Interest receivable

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.8 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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2. Accounting policies (continued)

2.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

2.15 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	3,561	3,561	285
	<u>3,561</u>	<u>3,561</u>	<u>285</u>
<i>Total 2021</i>	<u>285</u>	<u>285</u>	

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Member services	151,153	151,153	239,758
Workshops	-	-	20
Bed & breakfast	12	12	1,362
Banquets and social events	1,026	1,026	-
Retreat Income	10,600	10,600	-
	<u>162,791</u>	<u>162,791</u>	<u>241,140</u>
<i>Total 2021</i>	<u>241,140</u>	<u>241,140</u>	

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5. Fundraising income

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Sale of goods	5,005	5,005	3,298
International fundraising	6,053	6,053	7,664
	<u>11,058</u>	<u>11,058</u>	<u>10,962</u>
<i>Total 2021</i>	<u>10,962</u>	<u>10,962</u>	

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Surplus on sale of property	332,697	332,697	-
	<u>332,697</u>	<u>332,697</u>	<u>-</u>

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7. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Costs of raising funds	635	635	28
<i>Total 2021</i>	28	28	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Member services	93,156	133,660	132,096	358,912
Workshops	1,715	-	-	1,715
Bed & breakfast	2,140	-	-	2,140
	97,011	133,660	132,096	362,767

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8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Member services	117,940	450,975	130,616	699,531
Workshops	(128)	-	-	(128)
Bed & breakfast	2,509	-	-	2,509
	<u>120,321</u>	<u>450,975</u>	<u>130,616</u>	<u>701,912</u>

Analysis of direct costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Depreciation	19,055	19,964
Rent	26,161	(14)
Rates	2,673	44,080
Insurance	10,705	13,661
Light and heat	10,679	17,738
Repairs and consumables	23,883	22,511
Workshop costs	1,715	(128)
Bed and breakfast costs	2,140	2,509
	<u>97,011</u>	<u>120,321</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	93,463	92,033
Telephone	4,958	6,070
Loss on foreign exchange	-	39
Hire of equipment	2,165	1,966
Motor costs	1,449	-
Travelling expenses	198	162
Printing, postage & stationery	1,709	1,321
Legal and professional	2,763	10,256
Computer expenses	3,374	2,980
Sundry expenses	-	858
Bank charges	3,045	3,899
Agency staff	6,372	6,982
Governance costs	12,600	4,050
	132,096	130,616

9. Charitable activities - grants paid

	2022 £	<i>2021 £</i>
Overseas donations	133,660	450,975

Included within overseas donations are amounts donated to the following organisations:

£45,660 Taoist Tai Chi Society Spain (2021 - £34,870)

£88,000 Taoist Tai Chi Society Netherlands (2021 - £416,104)

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10. Auditors' remuneration

	2022 £	<i>2021</i> £
Fees payable to the company's auditor for the audit of the company's annual accounts	12,600	-
All non-audit services not included above	-	4,050
	<u> </u>	<u> </u>

11. Staff costs

	2022 £	<i>2021</i> £
Wages and salaries	87,607	85,738
Social security costs	3,789	4,277
Contribution to defined contribution pension schemes	2,067	2,018
	<u> </u>	<u> </u>
	93,463	92,033
	<u> </u>	<u> </u>

The average number of persons employed by the company during the year was as follows:

	2022 No.	<i>2021</i> No.
	3	3
	<u> </u>	<u> </u>

No employee received remuneration amounting to more than £60,000 in either year.

Total key management personnel compensation for the year was £50,180 (2021 - £50,180), plus the related National Insurance amounting to £5,978 (2021 - £5,706).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

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13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2022	1,143,710	137,703	20,493	1,301,906
Disposals	(246,713)	-	-	(246,713)
At 31 December 2022	<u>896,997</u>	<u>137,703</u>	<u>20,493</u>	<u>1,055,193</u>
Depreciation				
At 1 January 2022	441,360	133,478	19,597	594,435
Charge for the year	17,637	1,189	229	19,055
On disposals	(31,757)	-	-	(31,757)
At 31 December 2022	<u>427,240</u>	<u>134,667</u>	<u>19,826</u>	<u>581,733</u>
Net book value				
At 31 December 2022	<u>469,757</u>	<u>3,036</u>	<u>667</u>	<u>473,460</u>
At 31 December 2021	<u>702,350</u>	<u>4,225</u>	<u>896</u>	<u>707,471</u>

Included in freehold property is land costing £15,000 (2021 - £165,000) which is not depreciated.

14. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>2,938</u>	<u>3,129</u>

15. Debtors

	2022 £	2021 £
Due within one year		
Prepayments and accrued income	<u>6,716</u>	<u>6,900</u>

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16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,673	1,551
Other taxation and social security	2,118	2,052
Other creditors	459	969
Accruals and deferred income	40,758	57,482
	<u>49,008</u>	<u>62,054</u>
	2022 £	2021 £
Deferred income at 1 January 2022	52,575	75,699
Resources deferred during the year	26,201	52,575
Amounts released from previous periods	(52,576)	(75,699)
	<u>26,200</u>	<u>52,575</u>

Deferred income as at 31 December 2022 comprised membership fees received in advance and advance receipts for the sale of t-shirts.

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	146,705	(449,553)
Adjustments for:		
Depreciation charges	19,055	19,964
(Profit)/loss on disposal of tangible assets	(332,697)	-
Decrease in stocks	191	28
Decrease in debtors	184	1,565
Decrease in creditors	(13,046)	(41,016)
Net cash used in operating activities	<u>(179,608)</u>	<u>(469,012)</u>

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18. Analysis of cash and cash equivalents

	2022	<i>2021</i>
	£	£
Cash at bank	124,220	<i>380,875</i>
Notice deposits (less than 3 months)	624,700	<i>-</i>
Total cash and cash equivalents	748,920	<i>380,875</i>

19. Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	380,875	368,045	748,920
	380,875	368,045	748,920

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20. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,067 (2021 - £2,018). Contributions totalling £459 (2021 - £459) were payable to the fund at the balance sheet date and are included in creditors.

21. Operating lease commitments

At 31 December 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Within 1 year	6,204	1,966
Between 1 and 5 years	14,195	2,972
Later than 5 years	1,317	-
	<u>21,716</u>	<u>4,938</u>

22. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 December 2022.