

**CHINMAYA MISSION (UK)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# CHINMAYA MISSION (UK)

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S Swaroopananda	President
	S Wadhvani	Secretary
	D Budhrani	
	R Pattni	
	R Mahtani	
	N Sachdev	
	S Patel	

**Charity number** 1077622

**Principal address** 2 Egerton Gardens  
Hendon  
London  
NW4 4BA

**Auditors** KLSA LLP  
11 Coldbath Square  
London  
EC1R 5HL

**Bankers** National Westminster Bank  
North Finchley (A) Branch  
786 High Road  
London  
N12 9QT

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# CHINMAYA MISSION (UK)

## CONTENTS

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	<b>Page</b>
Trustees report	1 - 4
Statement of Trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 23

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# CHINMAYA MISSION (UK)

## TRUSTEES REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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The Trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

The Chinmaya Mission (UK) - "CMUK" is a charity registered with the Charity Commission since 30 September 1999.

#### **Objectives and activities**

CMUK's objectives are to spread the wisdom of Vedanta (as propagated by His Holiness, Swami Chinmayananda) and to provide (and assist in the provision of) facilities for education and positive recreation in the interests of social welfare and in order to improve the quality of life of all, regardless of background.

To attain these objectives, CMUK organises regular seminars, study sessions for all age groups, as well as annual events such as public talks on Vedanta and cultural programmes including the celebration of festivals.

CMUK's operations are headquartered in Hendon, London (at "Chinmaya Kirti") but its activities are present in various parts of the UK.

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charity Act 2011.

Significant events and highlights of the year are summarised below.

#### **Regular classes and activities**

In light of the outbreak of COVID-19 (Coronavirus) and UK government guidelines, the trustees made the decision to cease all physical classes of CMUK in the interest of the wellbeing of the volunteers and beneficiaries of CMUK's activities. The trustees were encouraged by a successful transition of a wide range of classes and events to online platforms.

The weekly study classes offered for all ages (toddlers and parents, children, youth, adults and senior citizens) were adapted and held virtually; it was heartening for the trustees to see that not only did regular classes and activities continue through this challenging time, but the services of CMUK to the wider community could now be accessed throughout the UK, without any geographical barriers to attendees. All of CMUK's activities, especially classes and activities for children and youth, reiterate values and ideas that encourage attendees to become responsible, caring positive contributors to their community and country. In a pandemic year, this came even more to the forefront, with CMUK being able to serve the community and provide support, especially to senior citizens and vulnerable members of society. The aggregate number of regular classes was approximately 40 per week in 2020, with many classes significantly increasing in numbers of attendees.

Other annual activities including the celebration of festivals were also adapted to an online format and ran successfully, attracting both our regular audience and a significant number of newcomers from across the UK.

# CHINMAYA MISSION (UK)

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Visiting spiritual teachers

In acknowledgement of the immense benefit and value of having access to respected spiritual teachers, the trustees felt that it was important that even during 2020, the regular study class attendees of CMUK and other members of the public could partake in “visits” by spiritual teachers, virtually.

In September 2020 Swami Swaroopananda, the global Head of Chinmaya Mission conducted a series of events online, hosted virtually by CMUK to reflect the regular annual visit with a series of events. Swami Swaroopananda presented a series of 5 evening talks streamed online entitled “Exceeding Excellence” based on key learnings from the Bhagavad Gita. A one-day workshop tailored specifically for youth was also held entitled “The Fine Adjustment” which was very well received. Swami Swaroopananda also held a special one day workshop very much in line with the need of the time on the topic of “Wellbeing: Mental & Spiritual” which was attended by over 80 people, both regular study class attendees and members of the public. The virtual visit was very successful and great feedback was received from those who participated.

In line with our annual calendar of events, CMUK hosted Swami Ramakrishnananda virtually who conducted an intensive beginners’ introductory course on Sanskrit entitled “Easy Sanskrit”. The classes were taught daily by Swami Ramakrishnananda, live streamed from a newly created virtual classroom in rural India using the latest smartboard technology to facilitate the learning of the students. The course was attended by around 30 students who were very satisfied with the depth of teaching of Sanskrit provided in such a short space of time.

#### Sale of our property in Oxfordshire

The trustees completed the sale of our former site in Oxfordshire in April 2020. The trustees acknowledge the significant efforts invested in seeking planning consent for a residential retreat centre on the site even though this consent could ultimately not be achieved. The trustees are grateful to all the volunteers who sponsored, operated and maintained the site and organised our events at the site.

#### Achievements and performance

CMUK proudly hosted its first “CMUK Fundraiser Week” in May 2020 led by CMUK’s resident teacher, Brahmacharini Shripriya Chaitanya (known as Shripriyaji) and organised by our youth wing, Chinmaya Yuva Kendra (CHYK), who were inspired into service and action. The funds were raised to support the “NHS Charities Together Covid-19 Urgent Appeal” and a variety of events were offered to reflect the vast and abundant offering of the many wings of CMUK. Events included “Shelter in Prayer” – a series of talks by Shripriyaji aimed at a universal audience on the power of prayer, “Vedantic Meditation” by trustee Dr. Ramesh Pattni OBE and a “Superhero Challenge” in the form of a quiz for ages 5 – 12. The events were very well attended virtually and positive feedback was received.

The trustees have been pleased to see all wings of CMUK thriving despite the challenges presented in 2020 and all activities being held virtually. The senior citizens wing, “Chinmaya Vanaprastha Sansthan” has grown with weekly classes that include guest speakers on topics of interest, yoga for wellbeing and spiritual classes by Shripriyaji. The youth wing, “Chinmaya Yuva Kendra” classes have continued for 18 – 35 year olds with new classes being offered to meet the demand of newcomers to the study sessions and classes for toddlers and children were successfully adapted to suit an online format.

Swaranjali, the musical wing of CMUK, ran a number of successful events in 2020. A hugely successful initiative was held during the first lockdown where the Swaranjali team hosted a daily chanting session for a period of 12 weeks with chants including the Hanuman Chalisa and Vishnu Sahasranamam to provide a sense of connection and peace to participants. These proved very popular and were attended by an average of 80 people per day.

Chinmaya Mission UK also played an active role taking part in a ground breaking global 24 hour relay chanting of the Hanuman Chalisa in April 2020, with Chinmaya Mission centres across the world coming together virtually for the occasion of Hanuman Jayanti, to pray for strength through unprecedented times.

# CHINMAYA MISSION (UK)

## TRUSTEES REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The CMUK bookshop was also run entirely on an online basis and the trustees were very pleased to see a substantial increase in 2020 in the reach and sales of Chinmaya Mission publications. We hope to continue to build on this in 2021.

#### Outlook for 2021

The trustees look forward to CMUK offering more activities to the public in 2021 and continuing to encourage each CMUK wing to flourish and thrive in order to “give maximum happiness to the maximum people for the maximum time” in line with the Chinmaya Mission motto. The trustees would like to build on the activities initiated in 2020 and continue to better serve the community in 2021.

The trustees look forward to the resumption of our activities in person once the UK government restrictions are lifted and are keen to explore how we can continue to serve those who have accessed our offering of classes and events online, but would not usually be able to do so when in person e.g. a “hybrid” offering of regular classes in person and online.

Our plans for 2021 also include launching our academic and educational wing “Chinmaya Academy” in affiliation with our partners in India – Chinmaya International Foundation and Chinmaya Vishwa Vidyapeeth to provide online courses tailored for a UK based audience on many aspects of Vedanta and related subjects including Sanskrit and Vedic Mathematics.

The trustees are pleased to be embarking upon an extensive renovation project to modernise our headquarters, Chinmaya Kirti in Hendon, London during 2021. The project will deliver a full upgrade and modernisation of existing facilities, and an enhanced layout for study classes as well as accommodation for teachers. Planning permission was obtained in October 2020 and renovation works commenced in spring 2021 with targeted completion of the works in the spring of 2022.

#### Financial review

##### Reserves

CMUK maintains unrestricted funds which have not been designated for a specific use at a level equivalent to between three and six months’ expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue CMUK’s current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Total reserves including Restricted and Unrestricted funds stand at £2,842,578 at 31 December 2020 (2019: £2,688,651).

#### 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 major risks, to which the charity is exposed, as identified by the Executive Committee, have been reviewed and systems have been established to mitigate these risks.

# CHINMAYA MISSION (UK)

## TRUSTEES REPORT (CONTINUED)

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **Structure, governance and management**

CMUK is an unincorporated charity which is governed and operated within the requirement set out in its constitution.

The trustees and who served during the year were:

S Swaroopananda	President
S Wadhvani	Secretary General
R Pattni	
R Mahtani	
D Budhrani	
N Sachdev	
S Patel	

There is no formal membership for CMUK, which is open to all interested in furthering the objects of CMUK, within the requirements of CMUK's Constitution.

The President of CMUK is also the Head of the Central Chinmaya Mission Trust of Mumbai, India the central body of the Chinmaya Mission Worldwide.

The day to day management of CMUK in the UK has been delegated by the Trustees to the Executive Committee which during 2020 constituted of S Wadhvani, R Pattni, R Mahtani, N Sachdev and S Patel. The Executive Committee is assisted in day to day operational matters by a working committee of volunteers.

# CHINMAYA MISSION (UK)

## TRUSTEES DECLARATION ON AUDITED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of CMUK and of the incoming resources and application of resources of CMUK for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of CMUK and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of CMUK and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement as to disclosure to our auditors**

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware, and
- the trustees, having made enquiries of fellow trustees and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In relation to the financial statements set out on pages 9 to 23:

- The Trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that CMUK will continue in operation.
- The Trustees confirm that they have made available to KLSA LLP, all CMUK's accounting records and provided all the information necessary for the compilation of the financial statements.
- The Trustees confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of CMUK for the year ended 31 December 2020.

On behalf of the board

S Wadhwani  
Trustee  
22 October 2021



# CHINMAYA MISSION (UK)

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF CHINMAYA MISSION (UK)

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#### Opinion

We have audited the financial statements of Chinmaya Mission (UK) (the 'CMUK') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, 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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

#### 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of CMUK in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about CMUK's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# CHINMAYA MISSION (UK)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF CHINMAYA MISSION (UK)

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of CMUK 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 the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees 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 CMUK'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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 an auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **CHINMAYA MISSION (UK)**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF CHINMAYA MISSION (UK)**

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#### **Other matter**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

**Ketan Shah (Senior Statutory Auditor)**  
**for and on behalf of KLSA LLP**  
**Chartered Accountants**  
**Statutory Auditor**

**22 October 2021**

**Kalamu House**  
**11 Coldbath Square**  
**London**  
**EC12 5HL**

# CHINMAYA MISSION (UK)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	174,160	100,818	274,978	302,977
Income from charitable activities	4	46,425	-	46,425	94,622
Income from investments	5	3,177	-	3,177	791
Other income	6	10,003	-	10,003	235
<b>Total income and endowments</b>		<b>233,765</b>	<b>100,818</b>	<b>334,583</b>	<b>398,625</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	179	-	179	3,776
Charitable activities	8	149,470	98,568	248,038	355,678
<b>Total resources expended</b>		<b>149,649</b>	<b>98,568</b>	<b>248,217</b>	<b>359,454</b>
Other gains and (losses)	12, 23	67,561	-	67,561	-
<b>Net incoming / (outgoing) resources</b>		<b>151,677</b>	<b>2,250</b>	<b>153,927</b>	<b>39,171</b>
Gross transfers between funds		-	-	-	-
<b>Net income / (expenditure) for the year /</b>					
<b>Net movement in funds</b>		<b>151,677</b>	<b>2,250</b>	<b>153,927</b>	<b>39,171</b>
Fund balances at 1 January 2020		2, 678,381	10,270	2,688,651	2,649,480
<b>Fund balances at 31 December 2020</b>		<b>2,830,058</b>	<b>12,520</b>	<b>2,842,578</b>	<b>2,688,651</b>

# CHINMAYA MISSION (UK)

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	12		1,449,900		2,854,085
<b>Current assets</b>					
Debtors	14	35,986		42,122	
Cash at bank and in hand		1,371,211		269,407	
		1,407,197		311,529	
<b>Creditors: amounts falling due within one year</b>	17	(14,519)		(32,225)	
Net current assets			1,392,678		279,304
<b>Total assets less current liabilities</b>			2,842,578		3,133,389
<b>Creditors: amounts falling due after more than one year</b>	18		-		(444,738)
<b>Net assets</b>			2,842,578		2,688,651
<b>Income funds</b>					
Restricted funds	19		12,520		10,270
Unrestricted funds			2,830,058		2,678,381
			2,842,578		2,688,651

The financial statements were approved by the Trustees on 22 October 2021.

S Wadhvani  
Trustee

S Patel  
Trustee

# CHINMAYA MISSION (UK)

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		146,075		80,240
<b>Investing activities</b>					
Purchase of tangible fixed assets		(39,969)		(2,812)	
Net proceeds from sale of property		1,462,650		-	
Interest received		3,177		791	
<b>Net cash used in investing activities</b>			1,425,858		(2,021)
<b>Financing activities</b>					
Bank loans		(470,129)		(24,716)	
<b>Net cash used in financing activities</b>			(470,129)		(24,716)
<b>Net increase in cash and cash equivalents</b>			1,101,804		53,503
Cash and cash equivalents at beginning of year			269,407		215,904
<b>Cash and cash equivalents at end of year</b>			1,371,211		269,407

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# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Charity information

CMUK is a charity registered with the Charity Commission since 30 September 1999.

#### 1.1 Accounting convention

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, and the Charities Act 2011 as it applies from 1 January 2015. CMUK is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of CMUK. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that CMUK has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of CMUK's charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 21 to the accounts.

#### 1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- CMUK is legally entitled to the funds
- Any performance conditions attached to the income have been met or are fully within the control of CMUK
- There is sufficient certainty that receipt of the income is considered probable
- The amount can be reliably measured

Cash donations are recognised on receipt. Other donations are recognised once CMUK has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

The income from activities for generating funds is recognised in the period in which the relevant activity takes place.

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

#### 1.5 Resources expended

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when;

- There is a legal or constructive obligation to make a payment
- It is probable that settlement will be required
- The amount of the obligation can be measured reliably

Costs of raising funds

Costs include those incurred in attracting donations, and those incurred in trading activities which are aimed at raising funds.

Governance costs

Costs associated with CMUK's constitutional and statutory requirements.

Support costs

The administrative and overhead costs associated with running CMUK's operations.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% on cost (building element only)
Building Improvements	10% on cost
Development work in progress	Not depreciated
Plant and machinery	33% on cost
Fixtures, fittings & equipment	10% on cost

Freehold land and assets in the course of redevelopment are not depreciated. Depreciation will be charged on the cost of the redevelopment once it is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, CMUK reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).



# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

#### 1.9 Financial instruments

CMUK has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when CMUK becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when CMUK's contractual obligations expire or are discharged or cancelled.

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Accounting policies

##### 1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

#### 2 Critical accounting estimates and judgements

In the application of CMUK's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and gifts	174,159	100,818	274,977	
For the year ended 31 December 2019	211,818	91,159		302,977

#### 4 Income from charitable activities

	2020 £	2019 £
Residential retreats and classes	25,019	88,029
Bookshop	21,406	6,594
	46,425	94,622

#### 5 Income from investments

	2020 £	2019 £
Interest receivable	3,177	791

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6 Other income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Sundry incomes	10,003	235
	<u>          </u>	<u>          </u>

**7 Raising funds**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<u>Fundraising and publicity</u>		
Other fundraising costs	179	3,776
	<u>          </u>	<u>          </u>
	179	3,776
	<u>          </u>	<u>          </u>

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 8 Expenditure on charitable activities

	Charitable activities £	Legal and professional £	Total 2020 £	Total 2019 £
Retreats and classes	22,539	-	22,539	88,783
Bookshop	21,545	-	21,545	30,436
Other donations	99,131	-	99,131	99,722
	<u>143,215</u>	<u>-</u>	<u>143,215</u>	<u>218,941</u>
Share of support costs (see note 9)	100,638	-	100,638	133,005
Share of governance costs (see note 9)	-	4,184	4,184	3,732
	<u>243,853</u>	<u>4,184</u>	<u>248,037</u>	<u>355,678</u>
<b>Analysis by fund</b>				
Unrestricted funds	145,286	4,184	149,470	
Restricted funds	98,567	-	98,567	
	<u>243,853</u>	<u>4,184</u>	<u>248,037</u>	
<b>For the year ended 31 December 2019</b>				
Unrestricted funds	254,497	3,732		258,229
Restricted funds	97,449	-		97,449
	<u>351,946</u>	<u>3,732</u>		<u>355,678</u>

Other donations consist of donation of £89,017 (2019: £97,259) to Chinmaya Mission in India, donations of £10,114 (2019: £1,831) to charities and events for charitable purpose within the UK and £Nil (2019: £632) to Chinmaya Mission in France.

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Depreciation	49,065	-	49,065	56,963	
Rates and water	433	-	433	4,783	
Insurance	7,332	-	7,332	7,548	
Light and heat	7,510	-	7,510	11,627	
Telephone and internet	7,504	-	7,504	6,972	
Sundries	2,685	-	2,685	4,421	
Cleaning	2,685	-	2,685	5,483	
Finance costs	4,315	-	4,315	13,762	
Repairs and maintenance	16,824	-	16,824	18,946	
Processing and transaction costs	2,285	-	2,285	2,501	
Legal and professional	-	4,184	4,184	3,732	Governance
	<u>100,638</u>	<u>4,184</u>	<u>104,822</u>	<u>136,737</u>	
Analysed between Charitable activities	<u>100,638</u>	<u>4,184</u>	<u>104,822</u>	<u>136,737</u>	

Governance costs includes payments to the auditors of £3,120 (2019: £3,000) for audit fees.

### 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from CMUK during the year.

### 11 Employees

CMUK had no employees during the year (2019: none).

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

12

	Land and buildings	Building Improvements	Development work in progress	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£	£
At 1 January 2020	3,188,189	213,028	2,400	80,790	134,145	3,618,552
Additions			39,714	254	-	39,969
Disposals	<u>1,437,326</u>	<u>2,436</u>	<u>-</u>	<u>-</u>	<u>13,304</u>	<u>1,453,066</u>
At 31 December 2020	<u>1,750,863</u>	<u>210,592</u>	<u>42,114</u>	<u>81,044</u>	<u>120,841</u>	<u>2,205,455</u>
<b>Depreciation and impairment</b>						
At 1 January 2020	439,087	130,738	-	76,371	118,271	764,467
Depreciation charged during the year	26,247	19,010	-	2,847	962	49,066
Disposals	<u>51,180</u>	<u>958</u>	<u>-</u>	<u>-</u>	<u>5,840</u>	<u>57,978</u>
At 31 December 2020	<u>414,154</u>	<u>148,790</u>	<u>-</u>	<u>79,218</u>	<u>113,393</u>	<u>755,555</u>
At 31 December 2020	<u>1,336,709</u>	<u>61,802</u>	<u>42,114</u>	<u>1,827</u>	<u>7,448</u>	<u>1,449,900</u>
At 31 December 2019	<u>2,749,102</u>	<u>82,290</u>	<u>2,400</u>	<u>4,419</u>	<u>15,874</u>	<u>2,854,085</u>

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 12 Tangible fixed assets (continued)

Freehold land and buildings with a carrying amount of £Nil (2019: £1,398,119) have been pledged to secure borrowings of the charity.

The carrying value of freehold land, included in land and buildings, is £540,863 (2019: £1,568,749).

Land is not considered to be a depreciable asset and no depreciation is therefore provided.

13 Financial instruments	2020 £	2019 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	21,554	23,319
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	14,518	479,962

14 Debtors	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	21,554	23,319
Prepayments and accrued income	14,432	18,803
	35,986	42,122

#### 15 Taxation

CMUK is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

16 Loans and overdrafts	2020 £	2019 £
Bank loans	-	470,129
Payable within one year	-	25,391
Payable after one year	-	444,738
<b>Amounts included above which fall due after five years:</b>		
Payable by instalments	-	335,560

The long-term loans in 2019 were secured by fixed charges over CMUK's freehold property in Oxfordshire.

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans	16	-	25,391
Other creditors		8,059	174
Accruals and deferred income		6,460	6,660
		<u>14,519</u>	<u>32,225</u>

#### 18 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	16	-	<u>444,738</u>

#### 19 Restricted funds

The funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Incoming resources	Movement in funds Resources expended	Transfers	Balance at 31 December 2020
	£	£		£	£
Chinmaya University	222	7,227	(7,449)	-	-
Other project	10,049	93,507	(91,035)	-	12,520
	<u>10,271</u>	<u>100,734</u>	<u>(98,484)</u>	<u>-</u>	<u>12,520</u>

#### Chinmaya University

This is an initiative in India to develop campus facilities for the Chinmaya University, a de novo university run by Chinmaya Mission UK for the furtherment of Indian Knowledge Traditions. Relevant donations and surpluses from events received by CMUK are paid over to the managing body for Chinmaya University in India.

#### Other projects

The balance on this fund represents donations made by donors for various specific activities.



# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### Transfers between funds

The freehold properties along with the related fixtures and fittings have been shown as unrestricted fixed assets at 31 December 2020.

Where restricted monetary donations are received for the purpose of acquisition of fixed assets, they are treated as restricted until they are utilised for the stated acquisition and improvement. While the restrictions apply to the monetary donations, the properties themselves are not restricted. Therefore, the trustees consider it appropriate for the properties to be accounted for as unrestricted assets.

#### 20 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:			
Tangible assets	1,449,900	-	1,449,900
Current assets/(liabilities)	1,380,159	12,520	1,392,680
Long term liabilities	-	-	-
	<u>2,830,059</u>	<u>12,520</u>	<u>2,842,579</u>

#### 21 Related party transactions

No trustee or key management personnel received any remuneration during the year. The trustees and companies related to trustees claimed expenses totalling £2,487 during the year (2019: £6,356). No trustee or other person related to the charity had any interest in any contract or transaction entered into by the charity during the year or the preceding year. Other than the trustees the charity does not consider itself to have any other key management personnel.

#### 22 Cash generated from operations

	2020 £	2019 £
Surplus for the year	153,928	39,172
Adjustments for:		
Surplus on sale of property (Note 23)	(67,561)	-
Investment income recognised in Statement of Financial Activities	(3,177)	(791)
Loss on disposal of fixed assets	-	-
Depreciation of tangible fixed assets	49,066	56,963
Movements in working capital:		
Decrease/(increase) in debtors	6,135	(7,175)
Increase/(decrease) in creditors	7,685	(7,929)
<b>Cash generated from operations</b>	<u>146,075</u>	<u>80,240</u>

# CHINMAYA MISSION (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### 23 Other gains during 2020

The freehold property in Oxfordshire was sold on 3 April 2020 and the loan secured on the property was redeemed immediately.

	<b>2020</b>	<b>2019</b>
Sale price	£1,500,000	-
Selling costs	£37,350	-
<b>Net proceeds from sale</b>	<b>£1,462,650</b>	<b>-</b>
Carrying value of property on disposal	£1,395,088	-
<b>Other gains and losses</b>	<b>£67,561</b>	<b>-</b>

The property was in use by CMUK until completion.