

KAILASH BUDDHIST CENTRE

A company limited by guarantee

Annual Trustees Report and Financial Statements

31st December 2022

Registered charity number 1084385

Registered company number 04075964 (England and Wales)

KAILASH BUDDHIST CENTRE
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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KAILASH BUDDHIST CENTRE
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Ms J J Andrews (secretary)

Ms C Norris

Mrs P Chaplin

Charity number 1084385

Company number 04075964

Registered office

74 Bidston road

Oxton

Wirral.

England

CH43 6TN

Independent examiner

Alistair Jenkins FCA

14 Shiels Drive

Bristol

BS32 8EA

KAILASH BUDDHIST CENTRE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity is a non-profit religious organisation. It is established, organised and operated only for religious purposes dedicated to public benefit.

The object of the charity is to promote the Buddhist Faith of the New Kadampa Tradition (NKT) through which to promote the human values of morality, compassion and wisdom in all aspects of society, leading to personal peace and a meaningful life, and to tolerance, social peace and welfare. The charity shall work to fulfil its object through the activities of study, practice, teaching and the observance of the moral discipline based upon the continuous implementation of the three New Kadampa Tradition study programmes; general programme (GP), foundation programme (FP), and the teacher training programme (TTP). These activities shall all be within the pure tradition of Mahayana Buddhism of Atisha and Je Tsongkhapa as taught by Venerable Geshe Kelsang Gyatso.

The charity's activities shall emphasise its development in the following ways:

- increasing the number of students of the Centre, through caring for people with kindness and by making good publicity;
- improving the qualifications of students, so they become qualified Kadampa Buddhist practitioners and Teachers;
- maintaining the Centre as a pure, peaceful and harmonious society;
- increasing the number of branches of the centre;
- gradually transforming the branches into independent IKBU Buddhist Centres having their own charitable and financial status and their own Resident Teacher.

In planning our activities we have considered guidance from the Charity Commission to ensure we meet our public benefit requirements.

Significant activities

From January 2021 to March 2021 we provided on-line retreats, FP and GP classes for our community and people of Wirral which were recorded and then available via You-Tube, due to the ongoing pandemic and government advice.

From April 2021 in order to provide a service and adapt to the wishes of those people interested in accessing and benefiting from our classes in Wirral, we offered 2 weekly GP classes and an FP class in-person and on-line via recorded You-tube links. We also offered many practical meditation workshops and various retreats on-line.

Upon the request of several Wirral Schools an on-line meditation class was produced virtually, and links sent out to schools.

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Kailash Buddhist centre continues to develop and maintain a harmonious and peaceful residential and non residential community and those attending classes at the centre from the Wirral Peninsula.

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FINANCIAL REVIEW

The accounts show outgoing resources for 2022 of £3,877 (2021: £7,096).

As at the year end reserves were £199,987 (2020: £203,864) and all reserves are unrestricted.

Reserves policy

It is the policy of the charitable company to maintain unrestricted funds which are free reserves at a level to cover three months' running costs should in not receive any further income.

At the end of the financial year, free reserves, excluding tangible fixed assets, were in deficit by £204,449 (2020: deficit £206,501).

The trustees will work to increase the unrestricted reserves by endeavouring to maintain full occupancy at the centre and raising funds through classes including online classes.

Going concern

The trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future and have adopted the going concern basis of accounting in preparing the accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The directors are Trustees for Charity purposes.

There will be three Directors, two of whom are elected by the members at the Annual General Meeting and one ex officio Director, who shall be appointed by the other Directors and shall be the administrative Director of a major NKT-IKBU Kadampa Meditation Centre in the United Kingdom.

Each elected Director shall serve for a term not exceeding three years; the term of the office of the ex-officio Director shall not be fixed but shall continue until they cease to be the Administrative Director of a major NKT-IKBU Kadampa Meditation Centre or sooner if disqualified or removed.

Membership

To become a member of the Society an application must be made in writing. The applicant must be a pure Buddhist, cherish the Society, live in the locality of the principal meeting place of the Society and pay an annual subscription of £1.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The charity trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing the financial statements, the trustees are required to:

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

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

The Trustees' report was approved as below on behalf of the Board of Trustees:

Name

Signed

Date

Independent Examiner's Report to the Trustees of Kailash Buddhist Centre

This is a report on the accounts of Kailash Buddhist Centre for the year ended 31 December 2022, which are set out on pages 8 to 12.

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with relevant general Directions of the Charities Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given on whether the accounts present a "true and fair view".

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Signed _____

Date _____

Alistair Jenkins
14 Shiels Drive, Filton, Bristol.

KAILASH BUDDHIST CENTRE
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STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December, 2022

		2022	2021
		£	
	Notes	Unrestricted Funds	Unrestricted Funds
Income from:			
Donations		2,356	6,532
Other income		1,114	193
Charitable activities			
Accommodation		35,892	34,305
Education		17,654	12,072
Total Income		57,016	53,102
Expenditure on:			
Charitable activities		58,603	59,753
Fundraising costs		1,600	-265
Governance		690	710
Total Expenditure		60,893	60,198
Net (Expense) / Income for the Year		(3,877)	(7,096)
RECONCILIATION OF FUNDS			
Funds brought forward			
Unrestricted funds		203,864	210,960
Net (Expense) / Income for the Year		(3,877)	(7,096)
Funds Carried Forward		199,987	203,864

The accompanying notes on pages 10 – 12 form part of these financial statements.

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BALANCE SHEET

As at 31 December, 2022

		2022	2021
		£	£
	Notes	Unrestricted Funds	Unrestricted Funds
FIXED ASSETS		400,433	408,313
Tangible Assets	5		
CURRENT ASSETS			
Cash at Bank		9,597	10,482
Debtors	6	3,826	3,700
Stock		400	1,500
		13,823	15,682
CREDITORS			
Amounts falling due within one year	7	(22,278)	(22,853)
		(22,278)	(22,853)
NET CURRENT ASSETS		391,977	401,142
CREDITORS – Amounts due after one year			
Bank Loans	8	(191,991)	(197,278)
		(191,991)	(197,278)
NET ASSETS OF THE CHARITY		199,987	203,864
FUNDS OF THE CHARITY			
Unrestricted Income Funds		199,987	203,864
TOTAL CHARITY FUNDS		199,987	203,864

The accompanying notes on pages 10 – 12 form part of these financial statements.

- The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.
- These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees:

KAILASH BUDDHIST CENTRE
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

Name & position Signed Date

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the financial statements, the loan mentioned in note 18 of the financial statements has not been finally approved as the bank is awaiting the formal property valuation. The valuation is expected to indicate that there is sufficient coverage for the bank. However, as the report has not yet been received there is material uncertainty relating to the events or conditions that may cast significant doubt on the charity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Income

All income is without restriction and is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land and buildings	according to the building
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Fixtures and fittings	20%	on cost
Plant & Machinery	10%	on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock represents items which have been purchased for resale and not yet sold, this is the stock available at the reporting date in the on site shop. The stock is valued at the lower of cost and net realisable value.

Taxation

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

Fund accounting

All funds, income and expenditure are Unrestricted, meaning they can be used in accordance with the charitable objectives at the discretion of the trustees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

	2022	2021
Accountancy	690	710
Depreciation of owned assets	7,780	9,418

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the prior year. There were no trustees' expenses paid for the year ended 31 December 2021 nor for the prior year.

4. STAFF COSTS

There were no employees during the year (2021 – one employee with a cost of £6,290).

5. FIXED ASSETS

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Fixed Assets

	Property	Plant Machinery	Fixtures Fittings	TOTAL
COST				
As at 1/1/2022	430,000	12,702	13,811	456,513
Additions				0
As at 31/12/2022	<u>430,000</u>	<u>12,702</u>	<u>13,811</u>	<u>456,513</u>
DEPRECIATION				
As at 01/01/2022	22,800	12,700	12,700	48,200
Depreciation charge for year	<u>7,600</u>	<u>2</u>	<u>278</u>	<u>7,880</u>
As at 31/12/2022	<u>30,400</u>	<u>12,702</u>	<u>12,978</u>	<u>56,080</u>
NET BOOK VALUE				
As at 1/12/2021	407,200	2	1,111	408,313
As at 31/12/2022	399,600	0	833	400,433

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022	2021
6 Debtors		
Trade debtors	510	400
Prepayments	3,316	3,300
	<u>3,826</u>	<u>3,700</u>
	2022	2021
7 Creditors falling due within one year		
Trade creditors	3,679	2,804
Bank Loans	5,022	5,022
Community Member Loans	9,700	9,700
Rent deposits	2,273	2,073
Other creditors	1,604	3,254
	<u>22,278</u>	<u>22,853</u>
	2022	2021
8 Creditors falling due over one year		
Bank Loans	191,991	197,278
	<u>191,991</u>	<u>197,278</u>

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STATEMENT OF Income and Expenditure						
For the year ended 31 December, 2022						
				2022		2021
				£		
				Unrestricted Funds		Unrestricted Funds
Income:						
	Donations (incl gift aid)	2,356			6,532	
	Trading activities					
	Shop income	1,106			193	
	Membership					
	Investment income	8			0	
	Charitable activities	17,654			12,072	
Expenditure:						
Charitable activities						
	Wages	0			6,290	
	Bad debts	2,000			0	
	Sponsorship	4,453			1,841	
	Property Repairs	5,301			2,347	
	Rent rates water	5,150			6,468	
	Light heat	12,060			13,765	
	Educational activities	3,979			3,039	
	Insurance	3,386			3,052	
	Office expenses	5,283			2,754	
	Depreciation of fixed assets	7,880			9,148	
	Bank charges / interest	11,110			11,049	
				58,603		59,753
Fundraising costs						
	Shop expenses	1,600			(265)	
Governance costs						
				2,290		445
Total Expenditure				60,893		60,198
Net (Expense) / Income for the Year				(3,877)		(7,096)
This note is provided for management and need not be submitted externally						