

REGISTERED COMPANY NUMBER: 05239391 (England and Wales)
REGISTERED CHARITY NUMBER: 1107477

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Drolma Mahayana Buddhist Centre Limited

Len Entwistle Chartered Accountants
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for the Year Ended 31 December 2021

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Drolma Mahayana Buddhist Centre Limited

Report of the Trustees for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Principal Activity

The principal activity of the company is to promote the Buddhist faith under the spiritual guidance of the elected general Director of the New Kadampa tradition principally through the activities of teaching, study and the observance of moral discipline all within the Mahayana Buddhist tradition of Je Tsongkhapa as taught by the Venerable Geshe Kelsang Gyatso, the founder of the New Kadampa tradition, through the continuous implementation of the three New Kadampa tradition study programmes: the General Programme, The Foundation Programme and the Teacher Training Programme.

Review of Progress

The Directors and Trustees consider the results for the period to be satisfactory.

FINANCIAL REVIEW

Fixed Assets

The movements in the company's fixed assets is set out in note 6 to the accounts

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Memorandum and Articles of Association dated 8th January 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05239391 (England and Wales)

Registered Charity number

1107477

Registered office

260 Dogsthorpe Road
Peterborough
Cambridgeshire
PE1 3PG

Trustees

H Jarman
T Frascella
J J Andrews

Company Secretary

G L Southwell

Approved by order of the board of trustees on 16 November 2022 and signed on its behalf by:

G L Southwell - Secretary

Drolma Mahayana Buddhist Centre Limited

Statement of Financial Activities
for the Year Ended 31 December 2021

| | | 31.12.21 Unrestricted fund £ | 31.12.20 Total funds £ |
|------------------------------------|-------|---------------------------------------|---------------------------------|
| | Notes | | |
| INCOME AND ENDOWMENTS FROM | | | |
| Voluntary income | | 38,929 | 49,108 |
| Other trading activities | 2 | 395 | 2,154 |
| Total | | <u>39,324</u> | <u>51,262</u> |
| EXPENDITURE ON | | | |
| Raising funds | 3 | 9,382 | 13,419 |
| Other | | 17,337 | 23,218 |
| Total | | <u>26,719</u> | <u>36,637</u> |
| NET INCOME | | 12,605 | 14,625 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | 187,989 | 173,364 |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>200,594</u></u> | <u><u>187,989</u></u> |

The notes form part of these financial statements

Drolma Mahayana Buddhist Centre Limited

Balance Sheet

31 December 2021

| | | 31.12.21 Unrestricted fund £ | 31.12.20 Total funds £ |
|--|-------|---------------------------------------|---------------------------------|
| | Notes | | |
| FIXED ASSETS | | | |
| Tangible assets | 7 | 355,980 | 357,495 |
| CURRENT ASSETS | | | |
| Stocks | 8 | 924 | 1,573 |
| Debtors | 9 | 412 | 412 |
| Cash in hand | | 16,664 | 13,942 |
| | | <hr/> | <hr/> |
| | | 18,000 | 15,927 |
| CREDITORS | | | |
| Amounts falling due within one year | 10 | (11,235) | (14,882) |
| | | <hr/> | <hr/> |
| NET CURRENT ASSETS | | 6,765 | 1,045 |
| | | <hr/> | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 362,745 | 358,540 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 11 | (162,151) | (170,551) |
| | | <hr/> | <hr/> |
| NET ASSETS | | 200,594 | 187,989 |
| | | <hr/> | <hr/> |
| FUNDS | 14 | | |
| Unrestricted funds | | 200,594 | 187,989 |
| | | <hr/> | <hr/> |
| TOTAL FUNDS | | 200,594 | 187,989 |
| | | <hr/> | <hr/> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Drolma Mahayana Buddhist Centre Limited

Balance Sheet - continued

31 December 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 16 November 2022 and were signed on its behalf by:

T Frascella - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

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.

| | |
|-----------------------|---------------------------|
| Fixtures and fittings | - 20% on reducing balance |
| Furnishings | - 25% on reducing balance |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

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

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

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

2. OTHER TRADING ACTIVITIES

| | 31.12.21 | 31.12.20 |
|----------------------------|-------------------|-------------------|
| | £ | £ |
| Fundraising & other income | 395 | 2,154 |
| | <u> </u> | <u> </u> |

3. RAISING FUNDS

Raising donations and legacies

| | 31.12.21 | 31.12.20 |
|--------------------------|-------------------|-------------------|
| | £ | £ |
| Promotions & Advertising | 309 | 558 |
| Support costs | 9,073 | 12,861 |
| | <u> </u> | <u> </u> |
| | <u>9,382</u> | <u>13,419</u> |

4. NET INCOME/(EXPENDITURE)

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

| | 31.12.21 | 31.12.20 |
|-----------------------------|-------------------|-------------------|
| | £ | £ |
| Depreciation - owned assets | 1,515 | 1,902 |
| | <u> </u> | <u> </u> |

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ |
|-----------------------------------|------------------------|
| INCOME AND ENDOWMENTS FROM | |
| Voluntary income | 49,108 |
| Other trading activities | 2,154 |
| Total | <u>51,262</u> |
| EXPENDITURE ON | |
| Raising funds | 13,419 |
| Other | 23,218 |
| Total | <u>36,637</u> |

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | |
|------------------------------------|------------------------|
| | Unrestricted fund £ |
| NET INCOME | 14,625 |
| RECONCILIATION OF FUNDS | |
| Total funds brought forward | 173,364 |
| TOTAL FUNDS CARRIED FORWARD | <u>187,989</u> |

7. TANGIBLE FIXED ASSETS

| | Freehold property £ | Plant and machinery £ | Fixtures and fittings £ | Furnishings £ | Totals £ |
|--|------------------------|--------------------------|----------------------------|------------------|-------------|
| COST | | | | | |
| At 1 January 2021 and 31 December 2021 | 350,000 | 2,000 | 22,122 | 8,045 | 382,167 |
| DEPRECIATION | | | | | |
| At 1 January 2021 | - | 2,000 | 14,956 | 7,716 | 24,672 |
| Charge for year | - | - | 1,433 | 82 | 1,515 |
| At 31 December 2021 | - | 2,000 | 16,389 | 7,798 | 26,187 |
| NET BOOK VALUE | | | | | |
| At 31 December 2021 | 350,000 | - | 5,733 | 247 | 355,980 |
| At 31 December 2020 | 350,000 | - | 7,166 | 329 | 357,495 |

An independent valuation carried out on the freehold property as at 2 April 2015 valued the freehold property at £350,000 generating a revaluation surplus of £20,000.

8. STOCKS

| | 31.12.21 £ | 31.12.20 £ |
|--------|---------------|---------------|
| Stocks | 924 | 1,573 |

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.21 | 31.12.20 |
|----------------------|------------|------------|
| | £ | £ |
| Donations (gift aid) | 412 | 412 |
| | <u>412</u> | <u>412</u> |

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.21 | 31.12.20 |
|---|---------------|---------------|
| | £ | £ |
| Bank loans and overdrafts (see note 12) | 5,000 | 5,000 |
| Other loans (see note 12) | 2,250 | 1,800 |
| Trade creditors | 1,553 | 1,749 |
| Accrued expenses | 2,432 | 6,333 |
| | <u>11,235</u> | <u>14,882</u> |

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

| | 31.12.21 | 31.12.20 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 12) | 162,151 | 170,551 |
| | <u>162,151</u> | <u>170,551</u> |

12. LOANS

An analysis of the maturity of loans is given below:

| | 31.12.21 | 31.12.20 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | 5,000 | 5,000 |
| Other loans | 2,250 | 1,800 |
| | <u>7,250</u> | <u>6,800</u> |
| Amounts falling between one and two years: | | |
| Bank loans - 1-2 years | 14,000 | 14,000 |
| | <u>14,000</u> | <u>14,000</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | 21,000 | 21,000 |
| | <u>21,000</u> | <u>21,000</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments: | | |
| Bank loans more 5 years | 127,151 | 135,551 |

13. SECURED DEBTS

The following secured debts are included within creditors:

| | 31.12.21 | 31.12.20 |
|------------|----------------|----------------|
| | £ | £ |
| Bank loans | <u>167,151</u> | <u>175,551</u> |

Assets held as security:

Assignment of Deposit dated 18th March 2007 and Legal Charge dated 22nd March 2007 over the freehold property known as Woodbyth, Dogsthorpe Road, Peterborough, Cambridgeshire, PE1 3PG.

14. MOVEMENT IN FUNDS

| | At 1.1.21 £ | Net movement in funds £ | At 31.12.21 £ |
|---------------------------|-------------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 187,989 | 12,605 | 200,594 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>187,989</u> | <u>12,605</u> | <u>200,594</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 39,324 | (26,719) | 12,605 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>39,324</u> | <u>(26,719)</u> | <u>12,605</u> |

Comparatives for movement in funds

| | At 1.1.20 £ | Net movement in funds £ | At 31.12.20 £ |
|---------------------------|-------------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 173,364 | 14,625 | 187,989 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>173,364</u> | <u>14,625</u> | <u>187,989</u> |

14. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 51,262 | (36,637) | 14,625 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>51,262</u> | <u>(36,637)</u> | <u>14,625</u> |

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

| | At 1.1.20 £ | Net movement in funds £ | At 31.12.21 £ |
|---------------------------|----------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 173,364 | 27,230 | 200,594 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>173,364</u> | <u>27,230</u> | <u>200,594</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 90,586 | (63,356) | 27,230 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>90,586</u> | <u>(63,356)</u> | <u>27,230</u> |

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

| | 31.12.21 £ | 31.12.20 £ |
|---------------------------------------|---------------|---------------|
| INCOME AND ENDOWMENTS | | |
| Voluntary income | | |
| Courses & accommodation | 32,557 | 24,350 |
| Donations | 6,372 | 14,760 |
| Grants | - | 9,998 |
| | <hr/> | <hr/> |
| | 38,929 | 49,108 |
| Other trading activities | | |
| Fundraising & other income | 395 | 2,154 |
| | <hr/> | <hr/> |
| Total incoming resources | 39,324 | 51,262 |
| EXPENDITURE | | |
| Raising donations and legacies | | |
| Promotions & Advertising | 309 | 558 |
| Other | | |
| Light, heat & water | 3,933 | 4,441 |
| Room hire & council tax | 2,175 | 2,446 |
| Household | 1,645 | 4,685 |
| Sponsorship & offerings | 9,509 | 11,591 |
| Sundry | 75 | 55 |
| | <hr/> | <hr/> |
| | 17,337 | 23,218 |
| Support costs | | |
| Management | | |
| Administration | 991 | 3,950 |
| Telephone | 598 | 734 |
| Accountancy | 493 | 506 |
| Insurance's | 975 | 940 |
| | <hr/> | <hr/> |
| | 3,057 | 6,130 |
| Finance | | |
| Bank charges | 320 | 36 |
| Loan interest | 4,181 | 4,793 |
| | <hr/> | <hr/> |
| | 4,501 | 4,829 |
| Other | | |
| Fixtures & fittings | 1,433 | 1,792 |
| Furnishings | 82 | 110 |
| | <hr/> | <hr/> |
| | 1,515 | 1,902 |

Drolma Mahayana Buddhist Centre Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

| | 31.12.21 | 31.12.20 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Total resources expended | 26,719 | 36,637 |
| Net income | 12,605 | 14,625 |