FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales · Charity number 1110500

Details

Other names	UNIVERSAL COMPASSION AND WISDOM FOR PEACE
Status	Registered
Legal form	Charitable company
Company number	05335841
Registered	2005-07-20
Register	View on the Charity Commission register

Contact

Address	Ramon Lee 93 Tabernacle Street London EC2A 4BA
Phone	02087678014
Email	admin@compassionandwisdom.org
Website	www.compassionandwisdom.org

Activities

Objects: THE OBJECTS OF THE CHARITY ARE THE ADVANCEMENT OF EDUCATION, IN PARTICULAR BY PROVIDING OR FACILITATING THE PROVISION OF LEARNING OPPORTUNITIES, FACILITIES, TOOLS AND RESOURCES THAT WILL ENABLE ANYONE, ANYWHERE TO DEVELOP THEIR COMPASSION AND WISDOM AND CONTRIBUTE TO PEACE IN THE WORLD

Activities: To provide resources, training and a supportive infrastructure that help people to develop their capacity for compassion and wisdom - to be kind and wise. The first initiative created by the charity was a programme called the '16 Guidelines for a Happy Life.'

Classification

- **How:** Provides Human Resources, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL & OVERSEAS
- Lambeth

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£110,119	£103,788	-	-
2024-12-31	£43,073	£107,212	-	-
2023-12-31	£143,861	£105,123	-	-
2022-12-31	£136,550	£100,135	-	-
2021-12-31	£114,564	£109,052	-	-
2020-12-31	£108,052	£112,494	-	-

Trustees

Name	Role	Appointed
OI LOON LEE	Chair	
Daniel Stanley Cutts		2020-09-28
Eric Martin Strom		2019-10-26
Lynn Susan Seedhouse		2023-06-22
WENDY RIDLEY		

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales - Charity number 1110500

Accounts

Charity registration number 1110500

Company registration number 05335841 (England and Wales)

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	W K Ridley	
	O L Lee (Chair)	
	G T Lama	(Resigned on 02 September 2025)
	E M Ström	
	D S Cutts	
	J A Costello	(Resigned on 22 June 2026)
	L S Seedhouse	
Senior Management	Victoria Coleman – Executive Director	
Treasurer	D S Cutts	
Charity number	1110500	
Company number	05335841	
Registered office	93 Tabernacle Street London England EC2A 4BA	
Independent examiner	David Terry FCA RAA Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA	
Bankers	The Co-operative Bank Plc Skelmersdale WN8 6WT	
	The Charity Bank Limited Fosse House 182 High Street Tonbridge TN91BE	
Website	www.compassionandwisdom.org	

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

CONTENTS

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees who are also the directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 December 2025.

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 charitable company's Memorandum and Articles of Association, provisions of Charities Act 2011, 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

The Foundation for Developing Compassion and Wisdom ("FDCW") was established to support people to live happy lives. It provides training and resources to develop a warm heart, deeper understanding of the mind and responsibility for the welfare of others and a wise mind. FDCW takes inspiration from its Patron, the Dalai Lama, who said:-

We have to think about the whole of humanity, not just my group. We can achieve this through education, one of whose roles is to reduce the gap between appearance and reality. The appearance is that there is a difference between "them" and "us", while the reality is that humanity is one.

FDCW program content is rooted in the ancient wisdom of Buddhist philosophy and psychology as well as modern psychology and sciences of the mind such as neuroscience. These methods reach thousands of people across the world through a dedicated and growing network of more than 100 FDCW trained facilitators active throughout 24 countries and a wide range of free resources.

Achievements and performance

Throughout the year FDCW trained facilitators have uncovered new pathways to bring FDCW programs into their communities resulting in positive change for many adults and children around the world.

FDCW's free resources offer another effective way for people to access tools for living a happier life. 2025 saw a record number of resources downloaded. One user commented:

I work for Woman's Aid to support children who are living with and experiencing Domestic abuse. I feel that this toolkit will definitely help.

Other highlights from the year include the successful launch of the **16 Guidelines Meditations Course**, the creation of a brand new **Facilitation Skills Training program,** and the new Compassion Collective project designed to provide a stable financial foundation for FDCW's work.

16 Guidelines in Schools

Nepal

A successful 16 Guidelines training took place in Tsoknyi Gechak Ling school in February 2025. The training was designed for teachers at the school and was led by FDCW trained facilitators Marian O'Dwyer and Ceci Buzon.

FDCW trained facilitator, Maria Luisa Costantino provided 16G training to three schools in remote areas of Uttargaya, Nepal during Spring. Each school was offered a set of 16 Guidelines Cards to support putting what was learned into practice. This will be an annual training with the support of the University of Verona.

Read the article Spreading Wisdom: 16 Guidelines Activities in Italy and Nepal 2024–2025

Italy

During 2025 the 16 Guidelines was provided as a student course at University of Verona. There is then the opportunity to study 16G further outside the University with courses and retreat run by FDCW trained facilitators, Maria Luisa and Sabrina DeChirico. Ten educators have been offering 16 Guidelines Level 1 and Level 2 courses in primary schools throughout Verona. Many FDCW materials such as the 16 Guidelines book and Ready Set Happy have been translated into Italian for use in schools.

Mongolia
FDCW partners with FPMT Mongolia to share the 16 Guidelines program with people there. 2025 was a very busy year with many trainings taking place. FDCW trained facilitator Munkhnasan Zanabazar led a 16 Guidelines training for 18 kindergarten teachers in June followed by a 10 week Building on the Basics course. 16 Guidelines Level 1 training for teenagers took place in May followed by a Building on the Basics course for teenagers. A clever board game was designed to introduce the 16 Guidelines and the Four Wisdom Themes and interviews given on National TV to raise awareness of 16 Guidelines. FDCW's resource for children, Ready Set Happy, was translated into Mongolian.

Russia
A 1**6 Guidelines Facilitator training** took place over six weeks from October to December for students from Russia by FDCW trained facilitators Marian O'Dwyer and Ceci Buzon. The intention is that this group will be able to lead 16 Guidelines courses in their own language in the future – and particularly introduce the 16 Guidelines into schools in Russia. You can read about the journey of the Russia group with the 16 Guidelines program and their aspiration to bring these healing tools to children here: 16 Guidelines in Russia: From Guiding Children to Guiding Communities

Israel
FDCW partners with a non-profit called Dreamers Home in Israel. Over 2,000 people have now benefited from the 16 Guidelines methods. During March 2025 Dreamers introduced the 16 Guidelines program into schools throughout the Tel Aviv district. **170 schools in the district were invited to participate in the 16 Guidelines program as part of an "Attention Revolution" Policy** to support children's learning. The program has also been provided at schools with Arab children with the aim that this program is available for all children in Israel regardless of their religion.

India
FDCW trained Facilitator Ceci Buzon attended Akshy School in Bodhgaya for her annual 16 Guidelines training for teachers. Teachers from nearby Maitreya School also join the training. Akshy Founder Raquel Mason arranged for the 16 Guidelines book to be translated into Hindi which is making a real difference in how teachers engage with the program saying:

Meditations for the children at school are improving a lot, and both headteachers are now truly committed. I have always believed that 16G in India should be taught by local people and this is a beautiful step in that direction.

New Course: 16 Guidelines Meditations
A new course was piloted in 2024 and launched in 2025. The 16 Guidelines Meditations Course has proved to be an effective, adaptable and popular course. The new course can be facilitated by people who are not FDCW trained facilitators. The course is available in both English and Spanish, and is being translated into French. **The course was downloaded from our website more than 200 times in 2025**. Groups in Spain, UK, France, Russia, Denmark, Netherlands, Belgium, Mongolia, USA, Canada, India, Malaysia, Australia, New Zealand and Mexico are enthusiastically embracing the new course.

Adapting Courses for Visually Impaired
During October to December, FDCW's partner FPMT Mongolia adapted FDCW's Building on the Basics 16 Guidelines program then introduced the program at the National Association for the Blind. 22 people joined this 10 week training including weekly home practice adapted for those with visual limitations.

In October the 16 Guidelines program was adapted for **family-centered training**. We are grateful to FPMT Mongolia and FDCW trained facilitators Oyuntugs Bayaraa, Tsogzolmaa Ravdan and Munkhnasan Zanabazar for their skill in translating and adapting the FDCW materials and sharing these methods so effectively.

Skills Training
FDCW partner Dreamers Home in Israel reported a successful **Level 3 Facilitators Training delivered in Hebrew**. Eighteen new Israeli Facilitators were trained.

During summer FDCW developed a **two-hour facilitation skills training** to support those who download and share FDCW resources and courses like 16 Guidelines Meditations. The training covers eight core facilitation skills.

Fundraising
In December FDCW launched a campaign inviting people to become monthly supporters of our work. The idea is to build a firm foundation of loyal funders to sustain and support our work of benefiting others. Our target is 50 monthly donors by the end of 2026 and we are halfway there! To find out more and help us meet our target, see The Compassion Collective.

Looking Ahead
During 2026, FDCW plans to achieve greater impact by:

- launching our newest course: A Mindful Heart
- expanding the Facilitation Skills Training into an annual program
- making our website available in more languages
- supporting partners and FDCW trained facilitators to bring programs into schools
- developing new resources and courses for living a happier life

Above all, we will support our compassionate community of FDCW trained facilitators, partners and volunteers who share these tools with others. We are committed to serving them and strengthening the connections that make this global network so impactful.

Our Volunteers
FDCW relies on a strong team of volunteers. One of FDCW's trustees offered a considerable amount of her time developing and delivering training during the year. FDCW very much values the contributions made by its volunteers.

Public benefit statement
In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

Financial review
The Statement of Financial Activities showed a net surplus of £6,331 (2024 – net deficit of £64,139) for the year and reserves stand at £80,955 (2024 – £74,624).

The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2026 budget.

Reserves policy
It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the Charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The trustees have estimated the reserves needed are £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income. The Directors consider that the Charity's reserves will enhance the services provided and provide financial security for the future.

As at 31st December 2025 financial statements showed reserves of £80,955 (2024 - £74,624) of which £66,879 (2024 - £64,624) was general, £14,076 (2024 - £10,000) was designated and £Nil (2024 - £Nil) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £66,879 (2024 - £64,464).

Principal Funding Sources

FDCW receives annual funding from The Camellia Foundation. It receives regular, generous support from the Foundation for Preserving the Mahayana Tradition. FDCW also receives funding from the Chair of the Board of its trustees, Ms Oi Loon Lee.

Structure, governance and management

Governing document

Foundation for Developing Compassion and Wisdom (the word ‘Limited’ being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up.

Organisation structure

FDCW has a Board of six trustees spread across UK, Australia and Malaysia. The Executive Director reports to the trustees during quarterly meetings. The Operations Manager and the Communications and Marketing Manager report to the Executive Director.

Trustee induction and training

Trustees joining FDCW's Board receive training and necessary documentation in order to make them fully aware of FDCW's past and current activities as well as financial and risk management. All trustees have completed safeguarding training and have signed an Ethical Policy of conduct.

Risk management

The Board of Trustees carried out a review of the Risk Register in March 2025. The level of risk in the following areas were reviewed and assessed: Governance, External Risk, Regulatory and Compliance, Financial and Operations. Areas deemed to be higher risk were identified and steps put in place to address and ameliorate these.

Related parties

Ms Oi Loon Lee is the Chair of the Board of Trustees and has offered generous funding to FDCW over several years. Ms Wendy Ridley is a Trustee on the Board and offers her time for free to develop and deliver courses and training for FDCW.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Foundation for Developing Compassion and Wisdom for the purpose of company law, are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare accounts for each financial 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 charitable company 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 UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Trustees (who are also the directors of the company for the purposes of company law) consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and under the provisions of section 477 of the Companies Act and that an independent examination is needed. The Members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' report was approved by the Board of Trustees and signed on its behalf by:

Signed by:

Wendy Ridley

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W K Ridley
Trustee

Dated: 29 June 2026

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report to the Trustees on my examination of the financial statements of Foundation for Developing Compassion and Wisdom (the charitable company) for the year ended 31 December 2025.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner’s report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my independent examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

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

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

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

Signed by:

BFA6442682BF4CE...

David Terry FCA

RAA Ramon Lee Ltd
Chartered Accountants
93 Tabernacle Street
London
EC2A 4BA

Dated: 29 June 2026

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	**3**	85,421	20,000	105,421	32,741
Income from charitable activities	**4**	3,070	-	3,070	7,823
Investments	**5**	1,628	-	1,628	2,509
Total income		90,119	20,000	110,119	43,073
Expenditure on:					
Raising funds	**6**	10,519	-	10,519	9,674
Charitable activities	**7**	73,269	20,000	93,269	97,538
Total expenditure		83,788	20,000	103,788	107,212
Net income/(expenditure) for the year/ Net movement in funds		6,331	-	6,331	(64,139)
Fund balances at 1 January 2025		74,624	-	74,624	138,763
Fund balances at 31 December 2025		80,955	-	80,955	74,624

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 9 to 21 form part of these financial statements.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	**11**		-		160
Current assets					
Debtors	**12**	469		425	
Cash at bank and in hand		88,419		79,974	
		88,888		80,399	
Creditors: amounts falling due within one year	**13**	(7,933)		(5,935)	
Net current assets			80,955		74,464
Total assets less current liabilities			80,955		74,624
The funds of the charitable company					
Unrestricted funds including Designated funds	**15**		80,955		74,624
			80,955		74,624

The charitable 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 2025.

The directors 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 accounts 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 accounts, so far as applicable to the charitable company.

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 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 29 June 2026 and were signed on its behalf by:

Signed by:
Daniel Cutts
79CB36B6909D43F...
D S Cutts
Trustee

Signed by:
Wendy Ridley
C96A1A4B9AB8416...
W K Ridley
Trustee

Company registration number 05335841 (England and Wales)

1 Accounting policies

Company information

Foundation for Developing Compassion and Wisdom is a private company limited by guarantee incorporated in England and Wales. The registered office is 93 Tabernacle Street, London, England, EC2A 4BA.

1.1 Accounting convention

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The principal accounting policies adopted are set out below.

1.2 Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The charity’s accounts show a net surplus of £6,331 (2024 – net deficit £64,139) for the period and free reserves of £66,879 (2024 – £64,464).The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2026 budget. The charity also recently received £64,000 funds from a past donor. Therefore the Trustees are satisfied that charity has sufficient funds for the next 12 months and on this basis the charity is a going concern.

1.4 Charitable funds

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.5 Incoming resources

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity’s control, the income is recognised when there is sufficient evidence that conditions will be met.

1 Accounting policies (Continued)

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

Training income
Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract, in the form of training fees.

Investment income
Investment income is included when receivable.

1.6 Volunteers and donated services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.7 Expenditure recognition and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.
- Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 Allocation of support costs
Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance costs, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

1 Accounting policies **(Continued)**

1.9 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.

The cost of minor additions or those costing less than £250 are not capitalised.

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:

Computers	4 Years

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 the statement of financial activities.

1.10 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. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charitable company 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The charity 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.

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.13 Creditors and Provisions

Creditors and Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.14 Pension Costs

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.15 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by Statement of Financial Activities (FRS 102), not to prepare a cash flow statement.

1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.17 Debtors

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations and gifts				
Foundation for the Preservation of the Mahayana Tradition, Inc	61,295	-	61,295	-
Bodhicitta Trust	8,640	-	8,640	8,640
Other Donations	15,486	-	15,486	4,101
Camellia Foundation	-	20,000	20,000	20,000
	85,421	20,000	105,421	32,741
For the year ended 31 December 2024	12,741	20,000		32,741

4 Income from charitable activities

	Training income	Resource distribution	Total 2025	Total 2024
	£	£	£	£
Donations in kind	2,840	-	2,840	3,672
Publication Sales	-	230	230	4,151
	2,840	230	3,070	7,823
Analysis by fund				
Unrestricted funds	2,840	230	3,070	7,823
	2,840	230	3,070	7,823
For the year ended 31 December 2024				
Unrestricted funds	3,672	4,151		7,823
	3,672	4,151		7,823

The donations in kind are recognised within income as charitable activities, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £2,840 (2024 – £3,672).

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

5 Investments

	Unrestricted funds £	Total 2025 £	Total 2024 £
Bank Interest	1,628	1,628	2,509
	1,628	1,628	2,509
For the year ended 31 December 2024	2,509		2,509

6 Raising funds

	Unrestricted funds £	Total 2025 £	Total 2024 £
Staff costs	7,065	7,065	6,711
Share of Support costs	2,807	2,807	2,423
Share of Goverance costs	647	647	540
	10,519	10,519	9,674
For the year ended 31 December 2024			
	9,674		9,674
	9,674		9,674

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

7 Expenditure on charitable activities

	Training	Communications	Resource distribution	Total	Total
	2025	2025	2025	2025	2024
	£	£	£	£	£
Direct costs					
Staff costs	3,909	24,365	28,552	56,826	56,301
Direct project costs	160	568	3,682	4,410	6,183
Communications and IT Costs	-	1,412	-	1,412	5,182
	4,069	26,345	32,234	62,648	67,666
Share of support and governance costs (see note 8)					
Support	1,617	10,463	12,803	24,883	24,428
Governance	373	2,413	2,952	5,738	5,444
	6,059	39,221	47,989	93,269	97,538
Analysis by fund					
Unrestricted funds	6,059	19,221	47,989	73,269	77,538
Restricted funds	-	20,000	-	20,000	20,000
	6,059	39,221	47,989	93,269	97,538

8 Support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	Support costs	Governance costs	Total 2025	Total 2024
	£	£	£	£
Staff costs	18,661	3,805	22,466	21,115
Depreciation	160	-	160	1,395
Communications	3,244	-	3,244	3,525
Insurance	1,136	-	1,136	1,072
Bank charges & exchange differences	289	-	289	408
Miscellaneous expenses	2,583	-	2,583	1,605
Legal and professional fees	643	-	643	492
Independent examination fees	974	2,580	3,554	3,223
	27,690	6,385	34,075	32,835
Analysed between				
Fundraising	2,807	647	3,454	2,963
Charitable activities	24,883	5,738	30,621	29,872
	27,690	6,385	34,075	32,835

9 Net Income/(Expenditure) for the year

	2025	2024
	£	£
Net movement in funds is shown after charging:		
Depreciation of tangible fixed assets	160	1,395

Independent Examiner's Fees

	2025	2024
Independent Examination	2,580	2,400
Other Services	974	823
	3,554	3,223

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Direct Charitable work	2	2
	2	2

	2025 £	2024 £
Wages and salaries	84,788	82,812
Social security costs	256	-
Pension costs	1,314	1,314
	86,358	84,126

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration or reimbursement of expenses during the year (2024 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £38,050 (2024 - £35,840).

11 Tangible fixed assets

	Computers £
Cost	
At 1 January 2025	7,418
Disposals	(1,240)
At 31 December 2025	6,178
Depreciation and impairment	
At 1 January 2025	7,258
Depreciation charged in the year	160
Eliminated in respect of disposals	(1,240)
At 31 December 2025	6,178
Carrying amount	
At 31 December 2025	-
At 31 December 2024	160

12 Debtors

	2025	2024
Amounts falling due within one year:	**£**	**£**
Prepayments	469	425
	469	425

13 Creditors: amounts falling due within one year

	2025	2024
	£	**£**
Trade creditors	458	-
Other creditors	3,150	342
Accruals	4,325	5,593
	7,933	5,935

14 Restricted funds

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

		Movement in funds				Movement in funds		
	Balance at 1 January 2024	Incoming resources	Resources expended	Transfers	Balance at 1 January 2025	Incoming resources	Resources expended	Balance at 31 December 2025
	£	£	£	£	£	£	£	£
Individual Benefactor 4	4,031	-	-	(4,031)	-	-	-	-
Camellia Foundation	-	20,000	(20,000)	-	-	20,000	(20,000)	-
	4,031	20,000	(20,000)	(4,031)	-	20,000	(20,000)	-

Description, nature and purpose of restricted funds:

Camellia Foundation :- Towards communications and marketing department staff costs.

Individual Benefactor #4 :-The unspent balance was transferred to unrestricted funds in accordance with the wishes of the benefactor.

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						
	Balance at 1 January 2024	Incoming resources	Resources expended	Balance at 1 January 2025	Resources expended	Transfers	Balance at 31 December 2025
	£	£	£	£	£	£	£
Redundancy fund	10,000	-	-	10,000	-	4,076	14,076
	10,000	-	-	10,000	-	4,076	14,076

Description, nature and purpose of designated funds:

Redundancy fund :- Funds set aside to cover redundancies due to two staff contracts becoming permanent.

16 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Total 2025 £
At 31 December 2025:			
Current assets/(liabilities)	66,879	14,076	80,955
	66,879	14,076	80,955

	Unrestricted funds £	Designated funds £	Total 2024 £
At 31 December 2024:			
Tangible assets	160	-	160
Current assets/(liabilities)	64,464	10,000	74,464
	64,624	10,000	74,624

17 Related party transactions

During the year Charity received donations totalling £9,875 (2024 - £Nil) and donations in kind amounting to £2,840 (2024 - £3,672) from Trustees and related organisations.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales - Charity number 1110500

Accounts

Charity registration number 1110500 (England and Wales)

Company registration number 05335841

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

CONTENTS

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	W K Ridley O L Lee (Chair) G T Lama E M Ström D S Cutts J A Costello L S Seedhouse
Senior Management	Victoria Coleman – Executive Director
Treasurer	D S Cutts
Charity number	1110500
Company number	05335841
Registered office	93 Tabernacle Street London England EC2A 4BA
Independent examiner	David Terry FCA Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA
Bankers	The Co-operative Bank Plc Skelmersdale WN8 6WT The Charity Bank Limited Fosse House 182 High Street Tonbrigde TN91BE
Website	www.compassionandwisdom.org

The Trustees who are also the directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 December 2024.

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 charitable company's Memorandum and Articles of Association, provisions of Charities Act 2011, 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

The Foundation for Developing Compassion and Wisdom ("FDCW") was established to support people in developing a warm heart and a wise mind. It provides training and resources to develop kindness and compassion, a deeper understanding of how our mind works and a sense of responsibility for the welfare of others.

FDCW takes inspiration from its Patron, the Dalai Lama, who said:-
When it comes to developing our understanding and increasing the positive qualities of our mind, the potential is limitless.

FDCW program content is rooted in the ancient wisdom of Buddhist philosophy and psychology as well as modern psychology and sciences of the mind such as neuroscience. FDCW courses have reached thousands of people across the world through a dedicated and growing network of more than 100 facilitators spread throughout 25 countries. It also offers a wide range of resources available for anyone to use to bring transformation and benefit throughout various sectors of society.

Achievements and performance

FDCW has had another very productive year. It has created a brand new 16 Guidelines Meditations Course focused on discussing and reflecting on core human values, inspired by its flagship program: 16 Guidelines for a Happy Life.

The course was created and piloted during 2024 with 27 pilot groups around the world and their feedback was overwhelmingly positive:-

The course manual/facilitator guide is top notch ~ relevant, well-written, practical and usable in everyday life. This is a wonderful series! - Linda, USA

Exploring basic human values has so much benefit as it's all very simple and super relevant to living a life with more ease. - Jonelle, New Zealand

Just as water wears away a stone so the 16 Guidelines gradually and gently change the mind and educate the heart. – participant, Russia

Every pilot leader said they would happily lead the series again. Following this strong positive response, feedback has been incorporated and the new course will be launched in 2025.

Faculty of Trained Facilitators Grows

FDCW has a faculty of over 100 trained facilitators active across 22 countries. In 2024,16 new facilitators were trained from 4 different countries. It is vital to train facilitators who can deliver courses in their own language and within their cultural context. Two 16 Guidelines courses were held on the island of La Réunion, and for the first time, a facilitator training program was led entirely in French by a new trainer.

Meanwhile, as a result of 16 Guidelines programs running this year in Spain and Russia, students have been inspired in both countries to apply for facilitator training in 2025. A translation of the 16 Guidelines book into Russian began in 2024. Three new facilitators completed their training to become FDCW Level 3 trainers.

16 Guidelines in Schools
In India, FDCW's Chair of the Board of Trustees visited Akshay School near Bodhgaya, where she witnessed firsthand the positive impact of 16 Guidelines training on both teachers and students. FDCW published an article about it here.

In Italy, the 16 Guidelines program has been active for several years, bringing this values-based approach into schools and universities. To support this work, the 16 Guidelines book was translated into Italian some years ago—and the program continues to flourish. In 2024, a new children's book, Pronti per essere felici ("Ready to Be Happy"), inspired by the *16 Guidelines and FDCW's Ready, Set, Happy* program, was published in Italian for the first time. The book launch drew over 120 educators, who shared their experiences delivering 16 Guidelines training in schools.

There is also an initiative underway to bring 16 Guidelines training to teachers in a school in Nepal in early 2025.

Mongolia
FDCW partners with FPMT Mongolia to provide a national program of education for adults, youth and children based on the 16 Guidelines. Between 80 to 100 children enroll in classes each year. In the Ger district - an area where families often face difficult living conditions - classes focus on the 16 Guidelines alongside activities that promote positive social-emotional development for children who have limited access to resources and are considered more at risk.

To support this work, two of FDCW's children's programs*, Happy Toolbox for Kids and Growing with 16 Guidelines*, have been translated into Mongolian. A third program, *Ready, Set, Happy*, is being translated. In total, 500 books have been printed for use in classrooms across the region.

Russia
The 16 Guidelines program was introduced in Russia three years ago and continues to flourish, with a focus on introducing 16 Guidelines techniques to teachers and children. Students wish to apply for FDCW facilitator training program so they can share 16G tools in their own language and a Russian translation of the 16 Guidelines book is underway.

Spain
A group of teachers have integrated the 16 Guidelines into a program aimed at supporting the social reintegration of marginalized communities. Participants in the program are now sharing what they've learned by developing activities to support the elderly, designing exercise routines for individuals with physically demanding jobs, and developing programs for children. Project leaders report:-

We learned that introducing these Guidelines can be overwhelming, especially for those facing significant challenges. Giving participants time to understand and process each concept was key to the program's success.

Israel
FDCW continues its partnership with Dreamers Home in Israel to train new facilitators and expand access to values-based education. Regular training has been provided so there are now 43 facilitators based in the region. FDCW also provides support and educational materials. 16 Guidelines course materials have been translated into Hebrew. Dreamers Home delivers 16 Guidelines training in a variety of settings, including a hospital near Gaza, several schools in Netanya, and in the community.

Marketing
During 2024, FDCW conducted a review of its marketing and branding to identify opportunities for improvement. The review concluded that FDCW's message would be more effective with a refreshed, modern website. The aim was to improve functionality, elevate the visual identity, and better reflect our message of compassion through a more accessible online presence. Our comms team designed a bespoke website, hosted on a new platform, which was successfully launched in summer 2024. Since then, website traffic has increased by 277% compared to the previous year, with visitors coming from over 200 countries.

Fundraising
FDCW has launched a new fundraising initiative called Become a Friend of FDCW, with the goal of building a strong foundation of financial stability to support the development of new programs and resources for future generations. Friends of FDCW contribute through monthly donations, helping to sustain and expand our reach.

Our Volunteers
FDCW relies on a strong team of volunteers. All speakers, moderators and translators at the Growing Compassionate Hearts Conference and the Wisdom Dialogues series offered their time for free. One of FDCW's trustees offered a considerable amount of her time developing courses and delivering training during the year. FDCW very much values the contributions made by its volunteers.

Public benefit statement
In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

Financial review
The Statement of Financial Activities showed a net deficit of £64,139 (2023 – net surplus £38,738) for the year and reserves stand at £74,624 (2023 – £138,763).

The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2025 budget.

Reserves policy
It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the Charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The trustees have estimated the reserves needed are £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income. The Directors consider that the Charity's reserves will enhance the services provided and provide financial security for the future.

As at 31st December 2024 financial statements showed reserves of £74,624 (2023 - £138,763) of which £64,624 (2023 - £124,732) was general, £10,000 (2023 - £10,000) was designated and £Nil (2023 - £4,031) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £64,464 (2023 - £123,177).

Principal Funding Sources
FDCW receives annual funding from The Camellia Foundation. It receives regular, generous support from the Foundation for Preserving the Mahayana Tradition. FDCW also receives funding from the Chair of the Board of its trustees, Ms Oi Loon Lee.

Structure, governance and management
Governing document
Foundation for Developing Compassion and Wisdom (the word 'Limited' being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees
As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up.

Organisation structure
FDCW has a Board of seven trustees spread across UK, Australia and Malaysia. The Executive Director reports to the trustees during quarterly meetings. The Operations Manager and the Communications and Marketing Manager report to the Executive Director.

Trustee induction and training
Trustees joining FDCW's Board receive training and necessary documentation in order to make them fully aware of FDCW's past and current activities as well as financial and risk management. All trustees have completed safeguarding training and have signed an Ethical Policy of conduct.

Risk management
The Board of Trustees carried out a review of the Risk Register in November 2024. The level of risk in the following areas were reviewed and assessed: Governance, External Risk, Regulatory and Compliance, Financial and Operations. Areas deemed to be higher risk were identified and steps put in place to address and ameliorate these.

Related parties
Ms Oi Loon Lee is the Chair of the Board of Trustees and has offered generous funding to FDCW over several years. Ms Wendy Ridley is a Trustee on the Board and offers her time for free to develop and deliver courses and training for FDCW.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Foundation for Developing Compassion and Wisdom for the purpose of company law, are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare accounts for each financial 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 charitable company 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 UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Trustees (who are also the directors of the company for the purposes of company law) consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and under the provisions of section 477 of the Companies Act and that an independent examination is needed. The Members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' report was approved by the Board of Trustees and signed on its behalf by:

Signed by:
Wendy Ridley
C96A1A4B9AB8416...

W K Ridley
Trustee

Dated: 19 June 2025

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report to the Trustees on my examination of the financial statements of Foundation for Developing Compassion and Wisdom (the charitable company) for the year ended 31 December 2024.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner’s report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my independent examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

Independent examiner's statement

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

1 accounting records were not kept in respect of the charitable company as required by section 386 of the Companies Act 2006.

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Signed by:

BFA6442682BF4CE...

David Terry FCA
Ramon Lee Ltd
Chartered Accountants
93 Tabernacle Street
London
EC2A 4BA
19 June 2025

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year	**Notes**	**Unrestricted funds £**	**Restricted funds £**	**Total 2024 £**	**Total 2023 £**
Income from:					
Donations and legacies	**3**	12,741	20,000	32,741	132,791
Charitable activities	**4**	7,823	-	7,823	11,070
Investments	**5**	2,509	-	2,509	-
Total income		23,073	20,000	43,073	143,861
Expenditure on:					
Raising funds	**6**	9,674	-	9,674	10,176
Charitable activities	**7**	77,538	20,000	97,538	94,947
Total expenditure		87,212	20,000	107,212	105,123
Net income/(expenditure)		(64,139)	-	(64,139)	38,738
Transfers between funds		4,031	(4,031)	-	-
Net movement in funds	**9**	(60,108)	(4,031)	(64,139)	38,738
Reconciliation of funds:					
Fund balances at 1 January 2024		134,732	4,031	138,763	100,025
Fund balances at 31 December 2024		74,624	-	74,624	138,763

All income and expenditure derive from continuing activities.

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 9 to 20 form part of these financial statements.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	**11**		160		1,555
Current assets					
Debtors	**12**	425		422	
Cash at bank and in hand		79,974		142,298	
		80,399		142,720	
Creditors: amounts falling due within one year	**13**	(5,935)		(5,512)	
Net current assets			74,464		137,208
Total assets less current liabilities			74,624		138,763
The funds of the charitable company					
Restricted income funds	**14**		-		4,031
Unrestricted funds including Designated funds	**15**		74,624		134,732
			74,624		138,763

The charitable 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 2024.

The directors 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 accounts 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 accounts, so far as applicable to the charitable company.

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 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 19 June 2025 and were signed on its behalf by:

Signed by:
Dan Cutts
D0EDBD02425249E...
D S Cutts
Trustee

Signed by:
Wendy Ridley
C96A1A4B9AB8416...
W K Ridley
Trustee

Company registration number 05335841 (England and Wales)

1 Accounting policies

Company information

Foundation for Developing Compassion and Wisdom is a private company limited by guarantee incorporated in England and Wales. The registered office is 93 Tabernacle Street, London, England, EC2A 4BA.

1.1 Accounting convention

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The principal accounting policies adopted are set out below.

1.2 Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The charity's accounts show a net deficit of £64,139 (2023 – net surplus £38,738) for the period and free reserves of £64,464 (2023 – £123,177). The charity received £20,000 funds from Camellia Foundation in February 2025 and £61,295 in June 2025 from a past funder. The Trustees are of the view that these results have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.4 Charitable funds

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.5 **Incoming resources**

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

1 Accounting policies **(Continued)**

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

Training income
Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract, in the form of training fees.

1.6 Volunteers and donated services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.7 Expenditure recognition and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.

- Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 Allocation of support costs
Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance costs, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.9 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.

The cost of minor additions or those costing less than £250 are not capitalised.

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:

Computers	4 Years

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 the statement of financial activities.

1 Accounting policies **(Continued)**

1.10 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. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charitable company 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The charity 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.

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 the charitable company’s contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1 Accounting policies **(Continued)**

1.13 Creditors and Provisions

Creditors and Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.14 Pension Costs

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.15 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by Statement of Financial Activities (FRS 102), not to prepare a cash flow statement.

1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.17 Debtors

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations and gifts						
Bodhicitta Trust	8,640	-	8,640	8,640	-	8,640
Individual Benefactor 4	-	-	-	100,000	-	100,000
Other Donations	4,101	-	4,101	5,151	-	5,151
Communication						
Camellia Foundation	-	20,000	20,000	-	18,000	18,000
Donated services	-	-	-	1,000	-	1,000
	12,741	20,000	32,741	114,791	18,000	132,791

The donations in kind are recognised within income as donations, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £Nil (2023 – £1,000)

4 Income from charitable activities

	Unrestricted funds Total 2024 £	Unrestricted funds Total 2023 £
Training income		
CBLC Course	-	723
16 Guidelines Programme	-	2,698
Donations in kind	3,672	-
Resource distribution		
Donations in kind	-	7,649
Publication Sales	4,151	-
	7,823	11,070

The donations in kind are recognised within income as charitable activities, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £3,672 (2023 – £7,649).

5 Income from investments

	Unrestricted funds	Total 2024	Total 2023
	£	£	£
Bank Interest	2,509	2,509	-
	2,509	2,509	-

6 Expenditure on raising funds

	Unrestricted funds	Total 2024	Unrestricted funds	Total 2023
	£	£	£	£
Fundraising and publicity				
Staff costs	6,711	6,711	6,085	6,085
Share of support and governance costs (see note 8)				
Support costs	2,423	2,423	3,224	3,224
Governance costs	540	540	867	867
	9,674	9,674	10,176	10,176

7 Expenditure on charitable activities

	Training 2024	Neuroscience Programme 2024	Communications 2024	Resource distribution 2024	Total 2024
	£	£	£	£	£
Direct costs					
Staff costs	3,709	-	25,483	27,109	56,301
Direct project costs	600	-	760	4,823	6,183
Communications and IT Costs	-	-	5,182	-	5,182
	4,309	-	31,425	31,932	67,666
Share of support and governance costs (see note 8)					
Support	1,556	-	11,344	11,528	24,428
Governance	347	-	2,528	2,569	5,444
	6,212	-	45,297	46,029	97,538
Analysis by fund					
Unrestricted funds	6,212	-	25,297	46,029	77,538
Restricted funds	-	-	20,000	-	20,000
	6,212	-	45,297	46,029	97,538

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Expenditure on charitable activities **(Continued)**

Previous year:	**Training**	**Neuroscience Programme**	**Communications**	**Resource distribution**	**Total**
	2023	**2023**	**2023**	**2023**	**2023**
	£	**£**	**£**	**£**	**£**
Direct costs					
Staff costs	12,742	3,042	27,872	3,043	46,699
Direct project costs	9,050	-	1,025	-	10,075
	21,792	3,042	28,897	3,043	56,774
Share of support and governance costs (see note 8)					
Support	11,547	1,612	15,311	1,612	30,082
Governance	3,105	434	4,118	434	8,091
	36,444	5,088	48,326	5,089	94,947
Analysis by fund					
Unrestricted funds	36,444	5,088	28,576	5,089	75,197
Restricted funds	-	-	19,750	-	19,750
	36,444	5,088	48,326	5,089	94,947

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Support and governance costs allocated to activities

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	2024	**2023**
	£	**£**
Staff costs	17,531	18,897
Depreciation	1,395	1,544
Communications and IT Costs	3,525	6,173
Insurance	1,072	656
Bank Charges and Exchange differences	408	355
Miscellaneous expenses	1,605	4,463
Legal and Professional Costs	1,315	1,218
Governance costs	5,984	8,958
	32,835	42,264
Analysed between:		
Fundraising	2,963	4,091
Training	1,903	14,652
Neuroscience Programme	-	2,046
Communications	13,872	19,429
Resource distribution	14,097	2,046
	32,835	42,264

	2024	**2023**
Governance costs comprise:	**£**	**£**
Staff costs	3,584	6,738
Fees for Independent Examination	2,400	2,220
	5,984	8,958

9 Net Income/(Expenditure) for the year	**2024**	**2023**
	£	**£**
Net movement in funds is shown after charging:		
Depreciation of tangible fixed assets	1,395	1,544
<u>Independent Examiner's Fees</u>		
Independent Examination	2,400	2,220
Other Services	823	765
	3,223	2,985

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Direct Charitable work	2	2
	2	2

	2024 £	2023 £
Wages and salaries	82,812	76,892
Social security costs	-	297
Pension costs	1,314	1,230
	84,126	78,419

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration or reimbursement of expenses during the year (2023 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £35,840 (2023 - £34,264).

11 Tangible fixed assets

	Computers £
Cost	
At 1 January 2024	7,418
At 31 December 2024	7,418
Depreciation and impairment	
At 1 January 2024	5,863
Depreciation charged in the year	1,395
At 31 December 2024	7,258
Carrying amount	
At 31 December 2024	160
At 31 December 2023	1,555

12 Debtors

	2024	2023
Amounts falling due within one year:	**£**	**£**
Prepayments	425	422
	425	422

13 Creditors: amounts falling due within one year

	2024	2023
	£	**£**
Other creditors	342	342
Accruals	5,593	5,170
	5,935	5,512

14 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

		Movement in funds			Movement in funds			
	Balance at 1 January 2023	**Incoming resources**	**Resources expended**	**Balance at 1 January 2024**	**Incoming resources**	**Resources expended**	**Transfers**	**Balance at 31 December 2024**
	£	**£**	**£**	**£**	**£**	**£**	**£**	**£**
Individual Benefactor 4	4,031	-	-	4,031	-	-	(4,031)	-
Camellia Foundation	1,750	18,000	(19,750)	-	20,000	(20,000)	-	-
	5,781	18,000	(19,750)	4,031	20,000	(20,000)	(4,031)	-

Description, nature and purpose of restricted funds:

Camellia Foundation :- Towards communications and marketing department staff costs.

Individual Benefactor #4 :-The unspent balance has been transferred to unrestricted funds in accordance with the wishes of the benefactor.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 January 2023	Transfers	Balance at 1 January 2024	Transfers	Balance at 31 December 2024
	£	£	£	£	£
Redundancy fund	2,000	8,000	10,000	-	10,000
	2,000	8,000	10,000	-	10,000

Description, nature and purpose of designated funds:

Redundancy fund :- Funds set aside to cover redundancies due to two staff contracts becoming permanent.

16 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total 2024
	£	£	£	£
At 31 December 2024:				
Tangible assets	160	-	-	160
Current assets/(liabilities)	64,464	10,000	-	74,464
	64,624	10,000	-	74,624

	Unrestricted funds	Designated funds	Restricted funds	Total 2023
	£	£	£	£
At 31 December 2023:				
Tangible assets	1,555	-	-	1,555
Current assets/(liabilities)	123,177	10,000	4,031	137,208
	124,732	10,000	4,031	138,763

17 Related party transactions

During the year Charity received donations totalling £Nil (2023 - £100,000) and donations in kind amounting to £3,672 (2023 - £6,724) from Trustees and related organisations.

Accounts

Charity registration number 1110500

Company registration number 05335841 (England and Wales)

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

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FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	W K Ridley	
	S A Mills	(Resigned on 07 December 2023)
	O L Lee (Chair)	
	G T Lama	
	E M Ström	
	D S Cutts	
	J A Costello	
	L S Seedhouse	(Appointed on 22 June 2023)
Senior Management	Victoria Coleman – Executive Director	
Treasurer	D S Cutts	
Charity number	1110500	
Company number	05335841	
Registered office	93 Tabernacle Street London England EC2A 4BA	
Independent examiner	David Terry FCA Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA	
Bankers	The Co-operative Bank Plc Skelmersdale WN8 6WT	
	The Charity Bank Limited Fosse House 182 High Street Tonbrigde TN91BE	
Website	www.compassionandwisdom.org	

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees who are also the directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 December 2023.

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 charitable company's Memorandum and Articles of Association, provisions of Charities Act 2011, 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

The Foundation for Developing Compassion and Wisdom ("FDCW") was established to support people in developing a warm heart and a wise mind. It provides training and resources to develop kindness and compassion and a deeper understanding of how our mind works.

FDCW takes inspiration from its Patron, the Dalai Lama, who said:-

When it comes to developing our understanding and increasing the positive qualities of our mind, the potential is limitless.

FDCW program content is rooted in the ancient wisdom of Buddhist philosophy and psychology as well as modern psychology and sciences of the mind such as neuroscience.

FDCW courses have reached thousands of people across the world through a dedicated and growing network of more than 100 facilitators spread throughout 25 countries. It also offers a wide range of accessible resources for immediate, practical use in various sectors of society.

Achievements and performance

In February 2023, FDCW convened Wisdom Dialogues: Wisdom Dialogues: Deepening our understanding of mind and emotions- deepening understanding of mind and providing strategies for transforming difficult emotions. Topics explored included how to develop awareness, ethical behaviour, dealing with depression, investigating the nature of mind and how it interprets reality.

FDCW has worked hard in attracting new audiences by developing a new Blog series inspired by its flagship 16 Guidelines program. Website traffic has increased by 400% since 2022. Video content has proved popular on both Facebook and YouTube. During 2023 a new website was commissioned and will be launched in spring 2024.

Global Impact

16 Guidelines courses are regularly running in **Dharamsala, India** attracting over 100 students each time. Maitreya School and Akshay School in **Bodhgaya, India** provide 16 Guidelines training to teachers and children. The program has run in both these schools for more than 10 years. In 2023 the 16 Guidelines book was translated into Hindi.

In September, a FDCW trainer provide 16 Guidelines Level 2 training in **Mongolia.** Graduates of this training aim to eventually become facilitators so that they program can spread more widely throughout the region. Currently there are now 4 facilitators in Mongolia.

Why am I involving 16G. It changed my mindset to see the life positive way. If I met 16G earlier I would not have so many regrets in my life. – Khongor Tsedendamba, 16G Facilitator.

The Great Stupa Project, **Bendigo, Australia** attracts many thousands of visitors each year. Visitors watch a 16 Guidelines video and can take away a 16G practical challenge leaflet. 16 Guidelines is provided to families of patients at Karuna Hospice in **Queensland, Australia**.

A full translation of the 16 Guidelines book into Japanese because:-

Many people in Japan have a resistance to religion, but this book allows people who do not know much about religion to learn about the way of life without any resistance, and all the members liked it very much. The structure is perfect and easy to understand, and I think it is the best material for learning gradually in order.- Mr Osamu, group leader, **Tokyo, Japan**

16 Guidelines is being taught to school children, teenagers and university students for some years now in **Verona, Italy**. Ready Set Happy (an FDCW resource for children) is being translated into Italian and along with the 16 Guidelines book already in Italian as support tools for workshops.

FDCW materials have been translated into **Ukrainian** and shared with volunteers working in shelters in Ukraine. This initiative is called Compassion and Wisdom in Ukraine. More than 2,200 Ukrainians have learned the practice. These materials have been shared with Ukrainian refugees living in Germany. Project leaders report:

People become more hopeful about the future. Participants share tools for self-regulation and calming oneself in difficult circumstances with friends and loved ones who are also in life-threatening places and difficult living conditions. The program has been expanded to children. Parents say children sleep better and have improved concentration and more relaxed attitude to their situation.

A school in **Aguascalientes, Mexico** has been integrating 16G for 10 years providing annual 16 Guidelines training for teachers.

16 Guidelines courses are provided at **The University of Toronto, Canada**. A local facilitator has adapted the 16 Guidelines course into Equine Therapy for adults and children.

Programs inspired by 16 Guidelines have also been provided in France, Spain, UK, Argentina, Colombia and USA.

FDCW has partnered with a non-profit in **Israel** called Dreamers Home. The 16 Guidelines program is now available in Hebrew and Arabic. 16 Guidelines training has been provided at 10 schools near Tel Aviv. 16 Guidelines training has been provided to patients in a Psychiatric Hospital close to Gaza.

In October, FDCW convened the **Growing Compassionate Hearts Conference** focused on teaching values and compassion to children and young people. As well as practical advice and knowledge a series of guided meditations for children were shared during the Conference.

Strategy
After several months of consultation among board members, team members and stakeholders a new Strategic Plan was approved by the Board in June 2023. The Plan is based on five Foundations:-

- Investing in E-Learning
- Strengthening our community
- Developing new partnerships
- Showcasing impact
- Financial sustainability

This Plan provides a very clear strategic direction for sustained growth over the next 5 years.

Our Volunteers
FDCW relies on a strong team of volunteers. All speakers, moderators and translators at the Growing Compassionate Hearts Conference and the Wisdom Dialogues series offered their time for free. One of FDCW's trustees offered a considerable amount of her time developing courses and delivering training during the year. FDCW very much values the contributions made by its volunteers.

Public benefit statement
In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

Financial review

The Statement of Financial Activities showed a net surplus of £38,738 (2022 – net surplus £36,415) for the year and reserves stand at £138,763 (2022 – £100,025).

The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2024 budget.

Reserves policy

It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the Charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The trustees have estimated the reserves needed are £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income. The Directors consider that the Charity's reserves will enhance the services provided and provide financial security for the future.

As at 31st December 2023 financial statements showed reserves of £138,763 (2022 - £100,025) of which £124,732 (2022 - £92,244) was general, £10,000 (2022 - £2,000) was designated and £4,031 (2022 - £5,781) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £123,177 (2022 - £89,145).

Principal Funding Sources

FDCW receives annual funding from The Camellia Foundation. It receives regular, generous support from the Foundation for Preserving the Mahayana Tradition. FDCW also receives funding from the Chair of the Board of its trustees, Ms Oi Loon Lee.

Structure, governance and management

Governing document

Foundation for Developing Compassion and Wisdom (the word 'Limited' being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up.

Organisation structure

FDCW has a Board of seven trustees spread across UK, Australia and Malaysia. The Executive Director reports to the trustees during quarterly meetings. The Operations Manager and the Communications and Marketing Manager report to the Executive Director.

Trustee induction and training

Trustees joining FDCW's Board receive training and necessary documentation in order to make them fully aware of FDCW's past and current activities as well as financial and risk management. All trustees have completed safeguarding training and have signed an Ethical Policy of conduct.

Risk management
The Board of Trustees carried out a review of the Risk Register in March 2023. Improvements were made to the Financial Controls Procedures. The level of risk in the following areas were reviewed and assessed: Governance, External Risk, Regulatory and Compliance, Financial and Operations. Areas deemed to be higher risk were identified and steps put in place to address and ameliorate these.

Related parties
Ms Oi Loon Lee is the Chair of the Board of Trustees and has offered generous funding to FDCW over several years. Ms Wendy Ridley is a Trustee on the Board and offers her time for free to develop and deliver courses and training for FDCW.

Statement of Trustees' responsibilities
The Trustees, who are also the directors of Foundation for Developing Compassion and Wisdom for the purpose of company law, are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare accounts for each financial 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 charitable company 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; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Trustees (who are also the directors of the company for the purposes of company law) consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and under the provisions of section 477 of the Companies Act and that an independent examination is needed. The Members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.
The Trustees' report was approved by the Board of Trustees and signed on its behalf by:

Wendy K Ridley

W K Ridley
Trustee

Dated: 17 June 2024

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report to the Trustees on my examination of the financial statements of Foundation for Developing Compassion and Wisdom (the charitable company) for the year ended 31 December 2023.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my independent examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

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

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

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

D Terry

David Terry FCA

Ramon Lee Ltd
Chartered Accountants
93 Tabernacle Street
London
EC2A 4BA

Dated: 17 June 2024

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	**3**	114,791	18,000	132,791	131,129
Income from charitable activities	**4**	11,070	-	11,070	5,421
Total income		125,861	18,000	143,861	136,550
Expenditure on:					
Raising funds	**5**	10,176	-	10,176	10,571
Charitable activities	**6**	75,197	19,750	94,947	89,564
Total expenditure		85,373	19,750	105,123	100,135
Net income/(expenditure) for the year/ Net movement in funds		40,488	(1,750)	38,738	36,415
Fund balances at 1 January 2023		94,244	5,781	100,025	63,610
Fund balances at 31 December 2023		134,732	4,031	138,763	100,025

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 9 to 20 form part of these financial statements.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**10**		1,555		3,099
Current assets					
Debtors	**11**	422		-	
Cash at bank and in hand		142,298		102,538	
		142,720		102,538	
Creditors: amounts falling due within one year	**12**	(5,512)		(5,612)	
Net current assets			137,208		96,926
Total assets less current liabilities			138,763		100,025
Income funds					
Restricted funds	**13**		4,031		5,781
Unrestricted funds					
Designated funds	**14**	10,000		2,000	
General unrestricted funds		124,732		92,244	
			134,732		94,244
			138,763		100,025

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The charitable 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 2023.

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 of the Companies Act 2006.

The directors 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 accounts 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 accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issued by the Trustees on 17 June 2024 and were signed on its behalf by:

D S Cutts
Trustee

DSCutts

W K Ridley
Trustee

Wendy K Ridley

Company registration number 05335841

1 Accounting policies

Company information

Foundation for Developing Compassion and Wisdom is a private company limited by guarantee incorporated in England and Wales. The registered office is 93 Tabernacle Street, London, England, EC2A 4BA.

1.1 Accounting convention

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The principal accounting policies adopted are set out below.

1.2 Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The charity's accounts show net surplus of £38,738 (2022 – net surplus £36,415) for the period and free reserves of £123,177 (2022 – £89,145). The Trustees are of the view that these results have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.4 Charitable funds

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.5 **Incoming resources**

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

1 Accounting policies **(Continued)**

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity’s entitlement is judged to be probable and where the amount can be reliably measured.

Training income
Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract, in the form of training fees.

1.6 **Volunteers and donated services and facilities**
Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees’ annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.7 **Expenditure recognition and irrecoverable VAT**
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.

- Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 **Allocation of support costs**
Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance costs, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.9 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.

The cost of minor additions or those costing less than £250 are not capitalised.

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:

Computers	4 Years

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 the statement of financial activities.

1 Accounting policies **(Continued)**

1.10 Stocks

Stock is shown at the lower of cost and net realisable value. Stock consists of books and cards.

1.11 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. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The charitable company 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The charity 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.

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 the charitable company’s contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1 Accounting policies **(Continued)**

1.14 Creditors and Provisions

Creditors and Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.15 Pension Costs

The charity operates a contributory defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.16 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102), not to prepare a cash flow statement.

1.17 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.18 Debtors

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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 2023 £	Total 2022 £
Donations and gifts				
Vistare Foundation	-	-	-	12,602
Foundation for the Preservation of the Mahayana Tradition, Inc. - Vistare Foundation	-	-	-	59,482
Bodhicitta Trust	8,640	-	8,640	8,640
Potential project	-	-	-	8,234
Individual Benefactor 4	100,000	-	100,000	10,000
Other Donations	5,151	-	5,151	5,721
Communication				
Camellia Foundation	-	18,000	18,000	18,000
Donated services	1,000	-	1,000	8,450
	114,791	18,000	132,791	131,129
For the year ended 31 December 2022	108,129	23,000		131,129

The donations in kind are recognised within income as donations, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £1,000 (2022 – £8,450)

4 Income from charitable activities

	Training income	16 Guidelines Resources distribution	Total 2023	Total 2022
	£	£	£	£
CBLC Course	723	-	723	-
16 Guidelines Programme	2,698	-	2,698	3,969
Neuroscience Programme	-	-	-	1,000
Donations in kind	-	7,649	7,649	216
Publication Sales	-	-	-	236
	3,421	7,649	11,070	5,421
Analysis by fund				
Unrestricted funds	3,421	7,649	11,070	5,421
	3,421	7,649	11,070	5,421
For the year ended 31 December 2022				
Unrestricted funds	4,969	452		5,421
	4,969	452		5,421

The donations in kind are recognised within income as charitable activities, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £7,649 (2022 – £216).

5 Raising funds

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Staff costs	6,085	6,085	6,406
Share of Support costs (See note 7)	3,224	3,224	3,179
Share of Governance Cost (See note 7)	867	867	986
	10,176	10,176	10,571
For the year ended 31 December 2022			
Fundraising and publicity	10,571		10,571
	10,571		10,571

6 Charitable activities

	16 Guidelines Programme	Neuroscience Programme	Communic-ations	16 Guideline Resources distribution	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	12,742	3,042	27,872	3,043	46,699	42,512
Direct project costs	9,050	-	1,025	-	10,075	11,762
	21,792	3,042	28,897	3,043	56,774	54,274
Share of support costs (see note 7)	11,547	1,612	15,311	1,612	30,082	26,931
Share of governance costs (see note 7)	3,105	434	4,118	434	8,091	8,359
	36,444	5,088	48,326	5,089	94,947	89,564
Analysis by fund						
Unrestricted funds	36,444	5,088	28,576	5,089	75,197	70,595
Restricted funds	-	-	19,750	-	19,750	18,969
	36,444	5,088	48,326	5,089	94,947	89,564
For the year ended 31 December 2022						
Unrestricted funds	37,211	5,603	22,082	5,699		70,595
Restricted funds	-	-	18,969	-		18,969
	37,211	5,603	41,051	5,699		89,564

7 Support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	Support costs	Governance costs	Total 2023	Total 2022
	£	£	£	£
Staff costs	18,897	6,738	25,635	25,632
Depreciation	1,544	-	1,544	1,544
Communications	6,173	-	6,173	3,874
Insurance	656	-	656	1,023
Bank charges & exchange differences	355	-	355	386
Miscellaneous expenses	4,463	-	4,463	3,311
Legal and professional fees	453	-	453	402
Independent Examiner's Fees	765	2,220	2,985	2,820
Premises and computer equipment costs	-	-	-	463
	33,306	8,958	42,264	39,455
Analysed between				
Fundraising	3,224	867	4,091	4,165
Charitable activities	30,082	8,091	38,173	35,290
	33,306	8,958	42,264	39,455

8 Net Income/(Expenditure) for the year

	2023	2022
	£	£
Net movement in funds is shown after charging:		
Depreciation of tangible fixed assets	1,544	1,544

<u>Independent Examiner's Fees</u>		
Independent Examination	2,220	2,100
Other Services	765	720
	2,985	2,820

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Direct Charitable work	2	3
	2	3

	2023 £	2022 £
Wages and salaries	76,892	71,640
Social security costs	297	1,534
Pension costs	1,230	1,376
	78,419	74,550

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration during the year. None of the Trustees were reimbursement expenses during the year (2022 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £34,264 (2022 - £31,816).

10 Tangible fixed assets

	Computers £
Cost	
At 1 January 2023	7,418
At 31 December 2023	7,418
Depreciation and impairment	
At 1 January 2023	4,319
Depreciation charged in the year	1,544
At 31 December 2023	5,863
Carrying amount	
At 31 December 2023	1,555
At 31 December 2022	3,099

11 Debtors

	2023	2022
Amounts falling due within one year:	**£**	**£**
Prepayments	422	-
	422	-

12 Creditors: amounts falling due within one year

	2023	2022
	£	**£**
Other creditors	342	320
Accruals	5,170	5,292
	5,512	5,612

13 Restricted funds

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

		Movement in funds			Movement in funds		
	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£	£	£	£
Individual Benefactor 4	-	5,000	(969)	4,031	-	-	4,031
Camellia Foundation	1,750	18,000	(18,000)	1,750	18,000	(19,750)	-
	1,750	23,000	(18,969)	5,781	18,000	(19,750)	4,031

Description, nature and purpose of restricted funds:

Camellia Foundation :- Towards communications and marketing department staff costs.

Individual Benefactor #4 :-Towards strategic planning overview.

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds			
	Balance at 1 January 2022	Incoming resources	Balance at 1 January 2023	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Redundancy fund	2,000	-	2,000	8,000	10,000
	2,000	-	2,000	8,000	10,000

Description, nature and purpose of designated funds:

Redundancy fund :- Funds set aside to cover redundancies due to three staff contracts becoming permanent.

15 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £
Fund balances at 31 December 2023 are represented by:								
Tangible assets	1,555	-	-	1,555	3,099	-	-	3,099
Current assets/(liabilities)	123,177	10,000	4,031	137,208	89,145	2,000	5,781	96,926
	124,732	10,000	4,031	138,763	92,244	2,000	5,781	100,025

16 Related party transactions

During the year Charity received donations totalling £100,000 (2022 £10,000) and donations in kind amounting to £6,724 (2022 £4,428) from Trustees and related organisations.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales - Charity number 1110500

Accounts

Charity registration number 1110500

Company registration number 05335841 (England and Wales)

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

CONTENTS

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	J Briggs (Resigned 01/03/2022)	
	D S Cutts	
	G T Lama	
	E M Strom	
	O L Lee (Chair)	
	S A Mills	
	W K Ridley	
	J A Costello	(Appointed 3 March 2022)
Senior Management	V Coleman – Executive Director	
Treasurer	D S Cutts	
Charity number	1110500	
Company number	05335841	
Registered office	93 Tabernacle Street London England EC2A 4BA	
Independent examiner	David Terry FCA Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA	
Bankers	The Co-operative bank PLC P.O. Box 250 Delf House, Southway, Skelmersdale WN8 6WT	
Website	www.compassionandwisdom.org	

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees who are also the directors of the charity for the purposes of the Companies Act 2006, 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 charitable company's Memorandum and Articles of Association, provisions of Charities Act 2011, 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
The Foundation for Developing Compassion and Wisdom ("FDCW") was established to support people in developing a warm heart and a wise mind. It provides resources to develop kindness and compassion and a deeper understanding of how the mind works.

FDCW provides training, courses and free resources for a happier, more meaningful life taking inspiration from its Patron, the Dalai Lama, who said:-

When it comes to developing our understanding and increasing the positive qualities of our mind, the potential is limitless.

FDCW program content is rooted in the ancient wisdom of Buddhist philosophy and psychology as well as modern psychology and sciences of the mind such as neuroscience.

FDCW courses have reached thousands of people across the world through a dedicated and growing network of more than 100 facilitators spread throughout 25 countries. It also offers a wide range of accessible resources for immediate, practical use in various sectors of society.

Achievements and performance
FDCW continues to make strong and steady progress in sharing its vision and practical methods for a kinder, more compassionate world. During 2022, FDCW convened 6 online events on how to bring compassion into every aspect of our lives. Each event was packed full of advice, inspiration and meditations. The range of speakers brought a breadth of wisdom and perspectives.

In May 2022, a new resource called *Conversations That Matter* was launched. This is designed to spark discussions about values. It was piloted in summer with 5 drop-in online discussion sessions on Humility, Patience, Contentment, Delight and Forgiveness. Groups are using this resource and we have positive feedback from groups in Adelaide and Florida.

People are returning both in person and online for these hour-long sessions and they have a lot to share. We plan on keeping this going for the next six months! – Nicole Zito, Florida

A number of new resources were also created and launched:-

- new 16 Guidelines introductory video
- series of short 3 minute videos called UE Shorts
- new practical 16 Day Challenge
- new Video Library featuring 100+ videos on compassion, resilience, communication etc
- new collection of audio and video meditations on topics like compassion, courage, values etc

FDCW reached audiences of more than 50,000 people during 2022 and the numbers are growing due to a review of marketing and comms strategy during summer 2022:-

- Complete re-design of the website
- Clear message and SEO-based Blog strategy
- New testimonials slider featuring participant feedback from courses
- Focused social media strategy using Facebook, YouTube, Blog to boost impressions
- New website section featuring 100+ videos on compassion, values, resilience etc
- New website section featuring both audio and video meditations

In November 2021, FDCW trained 25 new facilitators in partnership with an NGO called Dreamers Home in Israel. During 2022, working with Dreamers has resulted in:-

- 16 Guidelines program now available in Hebrew and Arabic
- Israeli government approving 16 Guidelines program to be taught in schools
- Invitation to teach 16 Guidelines to several schools in the Netanya district in 2023
- Several 16 Guidelines courses for adults taking place throughout cities in Israel during 2022

The 16 Guidelines course enabled Arab women to join in because of the universal, non-religious presentation. The women had a safe space to explore, inquire and express themselves honestly and openly.
– Ofir Levit, 16G Facilitator, Jaffa

In October 2022, FDCW announced a new global partnership with the Foundation for Preservation of Mahayana Tradition ("FPMT") to support the delivery of secular programs throughout 165 Centres and projects worldwide. The FDCW team is engaging directly with FPMT Centre Directors to understand their needs and find solutions that can work. FDCW has gathered success stories that demonstrate impact of its programs that can serve to inspire others.

FDCW partnered with Science and Wisdom Live to convene an event in October on body, mind and consciousness featuring six expert speakers presenting from around the world. FDCW's Executive Director was invited to present FDCW's methods for compassion to representatives of the Council of Europe and Virginie Cornet-Burcher (FDCW facilitator) led a reflection from the 16 Guidelines program on the theme of respect in French.

2022 saw an increase in the use of 16 Guidelines in schools. Schools in India and Mexico have been integrating the Guidelines for some years with a headteacher in India recently becoming a 16 Guidelines facilitator. We are working with facilitators in France, Netherlands, Australia, UK, Israel and Mongolia for introducing the Guidelines into schools there.

Practising 16 Guidelines is proving to be very positive for students as well as teachers and employees.
- Raquel Mason, Principal of Akshay School, Bodhgaya, India

Our strategy over the next 12 months focuses on three key areas:-

- **16G for children and in schools** – support the introduction of 16G into more schools. Work has already begun on evaluating the impact of 16G in schools. An independent evaluation will encourage schools to introduce 16 Guidelines into their curriculum.

- **Understanding Mind and Transforming Emotions** – the success of the six events on Compassion means FDCW will convene six events on Mind, Wisdom and Emotions during 2023. Expert speakers from around the world will share their practical advice and methods on how we can understand our mind more deeply and transform challenging emotions and mental states such as anxiety and depression.

- **Expanding audiences** – we want to continue to steadily build our audiences by:-
  (a) continuing to explore opportunities with existing and with new partners,
  (b) focused social media campaigns about our resources, and
  (c) featuring success stories showing how our methods are making people happier

Strategy for 2023 to 2025

Our long term strategy is to build and expand our successful online presence by providing more online events, courses and trainings including a series of webinars on understanding the mind and transforming negative emotions. We will create and refine free resources that are readily downloadable and practical. We will pursue partnerships with organisations with similar goals for a kinder more, compassionate world.

Our Volunteers
FDCW relies on a strong team of volunteers. Speakers at our Facilitator Forums offered their time preparing for and presenting for free. During our Big Love Conference all speakers and translators offered their time for free. A consultant offered time during a series of meetings on strategic planning for the FDCW Board. One of FDCW's trustees offered a considerable amount of her time developing courses and delivering training during the year. FDCW very much values the contributions made by its volunteers.

Public benefit statement
In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the charity's activities.

Financial review
The Statement of Financial Activities showed a net surplus of £36,415 (2021 – net surplus £5,512) for the year and reserves stand at £100,025 (2021 – £63,610).

The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2023 budget.

Reserves policy
It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The Trustees have estimated the reserves needed is £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income.

The Directors consider that the charity's reserves will enhance the services provided and provide financial security for the future.

As at 31st December 2022 accounts showed reserves of £100,025 (2021 - £63,610) of which £92,244 (2021 - £59,860) was general, £2,000 (2021 - £2,000) was designated and £5,781 (2021 – £1,750) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £89,145 (2021 - £55,850).

Principal funding sources
FDCW receives annual funding of the Communications and Marketing Manager's salary from The Camellia Foundation. It receives regular, generous support from the Foundation for Preserving the Mahayana Tradition whose Spiritual Director is Lama Zopa Rinpoche. Lama Zopa Rinpoche is also the Honorary President of FDCW but is not a Board member. FDCW also receives major funding from the Chair of the Board of its trustees, Ms Oi Loon Lee.

Structure, governance and management
Governing document
Foundation for Developing Compassion and Wisdom (the word 'Limited' being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees
As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

None of the Trustees has any beneficial interest in the company other than as a member. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation structure
FDCW has a board of seven trustees spread across UK, Australia and Malaysia. The Executive Director reports to the Trustees during quarterly meetings. The Operations Manager and the Communications Consultant report to the Executive Director.

Trustee induction and training
Trustees joining FDCW's Board receive training and necessary documentation in order to make them fully aware of FDCW's past and current activities as well as financial and risk management. All Trustees have completed safeguarding training and have signed an Ethical Policy of conduct.

Risk management
The Board of Trustees carried out an extensive and comprehensive Risk Management review at the beginning of 2022. The level of risk in the following areas were reviewed and assessed: Governance, External Risk, Compliance, Financial, Operational and Safeguarding. Areas deemed to be high risk were identified and steps put in place to address and ameliorate these.

Related Parties
Ms Oi Loon Lee is the Chair of the Board of Trustees and has offered generous funding to FDCW over several years. Ms Wendy Ridley is a Trustee on the Board and offers her time for free to develop and deliver courses and training for FDCW. Lama Zopa Rinpoche is the Spiritual Director of the Foundation for the Preservation of the Mahayana Tradition (a non-profit that is affiliated with FDCW) and is also the Honorary President of FDCW but is not a member of the Board of Trustees of FDCW.

Statement of Trustees' responsibilities
The Trustees, who are also the directors of Foundation for Developing Compassion and Wisdom for the purpose of company law, are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare accounts for each financial 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 charitable company 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 UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Trustees (who are also the directors of the company for the purposes of company law) consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and under the provisions of section 477 of the Companies Act and that an independent examination is needed. The Members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' report was approved by the Board of Trustees and signed on its behalf by:

Wendy K Ridley

W K Ridley
Trustee

Dated: 22 June 2023

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report to the Trustees on my examination of the financial statements of Foundation for Developing Compassion and Wisdom (the charitable company) for the year ended 31 December 2022.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my independent examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report
As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

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

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

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

D Terry

David Terry FCA

Ramon Lee Ltd
Chartered Accountants
93 Tabernacle Street
London
EC2A 4BA

Dated: 22 June 2023

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	108,129	-	23,000	131,129	106,078
Income from charitable activities	4	5,421	-	-	5,421	8,486
Total income		113,550	-	23,000	136,550	114,564
Expenditure on:						
Raising funds	5	10,571	-	-	10,571	6,943
Charitable activities	6	70,595	-	18,969	89,564	102,109
Total resources expended		81,166	-	18,969	100,135	109,052
Net income for the year/ Net movement in funds		32,384	-	4,031	36,415	5,512
Fund balances at 1 January 2022		59,860	2,000	1,750	63,610	58,098
Fund balances at 31 December 2022		92,244	2,000	5,781	100,025	63,610

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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

All income and expenditure derive from continuing activities.

The notes on pages 10 to 21 form part of these financial statements.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**10**		3,099		4,010
Current assets					
Cash at bank and in hand		102,538		71,018	
Creditors: amounts falling due within one year	**11**	(5,612)		(11,418)	
Net current assets			96,926		59,600
Total assets less current liabilities			100,025		63,610
Income funds					
Restricted funds			5,781		1,750
Unrestricted funds					
Designated funds		2,000		2,000	
General unrestricted funds		92,244		59,860	
			94,244		61,860
			100,025		63,610

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The charitable 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors 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 accounts 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 accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 22 June 2023 and were signed on its behalf by:

	Wendy K Ridley
D S Cutts	W K Ridley
Trustee	**Trustee**

Company registration number 05335841

1 Accounting policies

Company Information

Foundation for Developing Compassion and Wisdom is a private company limited by guarantee incorporated in England and Wales. The registered office is 93 Tabernacle Street, London, England, EC2A 4BA.

1.1 Accounting convention

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The principal accounting policies adopted are set out below.

1.2 Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

The charity's accounts show net surplus of £36,415 (2021 – net surplus £5,512) for the period and free reserves of £89,145 (2021 – £55,850). The Trustees are of the view that these results have secured the immediate future of the charity for the next 12 to 18 months and on this basis the charity is a going concern.

1.4 Charitable funds

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.5 Incoming resources

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

1 Accounting policies **(Continued)**

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

Training income
Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract, in the form of training fees.

1.6 Volunteers and donated services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.7 Expenditure recognition and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.
- Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 Allocation of support costs
Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance costs, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.9 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.

The cost of minor additions or those costing less than £250 are not capitalised.

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:

Computers	4 Years

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 the statement of financial activities.

1 Accounting policies **(Continued)**

1.10 Stocks

Stock is shown at the lower of cost and net realisable value. Stock consists of books and cards.

1.11 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. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The charitable company 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The charity 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.

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 the charitable company's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1 Accounting policies (Continued)

1.14 Pension Costs
The charity operates a contributory defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.15 Cash flow statement
The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102), not to prepare a cash flow statement.

1.16 Foreign exchange
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

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

1.18 Creditors
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting estimates and judgements

In the application of the charitable company'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

	2022	2021
	£	£
Donations and gifts		
Vistare Foundation	12,602	-
Foundation for the Preservation of the Mahayana Tradition, Inc. - Vistare Foundation	59,482	-
Bodhicitta Trust	8,640	-
Potential project	8,234	-
Individual Benefactor 4	10,000	63,357
Other Donations	5,721	14,721
Camellia Foundation	18,000	18,000
Donated services	8,450	10,000
	131,129	106,078
Analysis by fund		
Unrestricted funds	108,129	73,337
Restricted funds	23,000	32,741
	131,129	106,078

The donations in kind are recognised within income as donations, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £8,450 (2021 – £10,000)

4 Income from charitable activities

	2022	2021
	£	£
Training income		
The A.R.T of Fulfilment Programme	-	1,314
16 Guidelines Programme	3,969	3,595
Neuroscience Programme	1,000	3,480
16 Guidelines Resources distribution:		
Publication Sales	236	97
Donations in kind	216	-
	5,421	8,486
Analysis by fund		
Unrestricted funds	5,421	8,486

5 Raising funds

	2022	2021
	£	£
Fundraising and publicity		
Staff costs	6,406	4,808
Share of support costs	3,179	1,708
Share of governance costs	986	427
Fundraising and publicity	10,571	6,943
Analysis by fund		
Unrestricted funds	10,571	6,943

6 Charitable activities

	The A.R.T. of Fulfilment Programme	16 Guidelines Programme	Neuroscience Programme	Communications	16 Guideline Resources distribution	Total 2022	Total 2021
	£	£	£	£	£	£	£
Staff costs	-	12,758	3,203	23,347	3,204	42,512	51,989
Direct project costs	-	9,791	192	1,529	250	11,762	18,712
	-	22,549	3,395	24,876	3,454	54,274	70,701
Share of support costs (see note 7)	-	11,189	1,685	12,344	1,713	26,931	25,121
Share of governance costs (see note 7)	-	3,473	523	3,831	532	8,359	6,287
	-	37,211	5,603	41,051	5,699	89,564	102,109
Analysis by fund							
Unrestricted funds	-	37,211	5,603	22,082	5,699	70,595	
Restricted funds	-	-	-	18,969	-	18,969	
	-	37,211	5,603	41,051	5,699	89,564	
For the year ended 31 December 2021							
Unrestricted funds	18,895	22,500	4,271	15,826	7,376		68,868
Restricted funds	-	-	2,702	30,539	-		33,241
	18,895	22,500	6,973	46,365	7,376		102,109

7 Support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	Support costs	Governance costs	Total 2022	Total 2021
	£	£	£	£
Staff costs	18,850	6,782	25,632	21,077
Depreciation	1,544	-	1,544	1,386
Communications	3,874	-	3,874	4,157
Insurance	1,023	-	1,023	948
Bank charges & exchange differences	386	-	386	437
Miscellaneous expenses	3,311	-	3,311	2,294
Legal and professional fees	402	-	402	798
Independent examiner's fees	720	2,100	2,820	2,400
Trustees' expenses	-	-	-	46
Premises and computer equipment costs	-	463	463	-
	30,110	9,345	39,455	33,543
Analysed between				
Fundraising	3,179	986	4,165	2,135
Charitable activities	26,931	8,359	35,290	31,408
	30,110	9,345	39,455	33,543

8 Net Income/(Expenditure) for the year

	2022	2021
	£	£
Net movement in funds is shown after charging:		
Independent Examiner's Fees		
Independent Examination	1,320	1,200
Other Services	1,500	1,200
	2,820	2,400
Depreciation of tangible fixed assets	1,544	1,386

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Direct Charitable work	3	3

	2022 £	2021 £
Wages and salaries	71,640	73,708
Social security costs	1,534	2,516
Pension costs	1,376	1,650
	74,550	77,874

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration during the year. None of the Trustees were reimbursement expenses during the year (2021 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £31,816 (2021 - £32,053).

10 Tangible fixed assets

	Computers £
Cost	
At 1 January 2022	6,785
Additions	633
At 31 December 2022	7,418
Depreciation and impairment	
At 1 January 2022	2,775
Depreciation charged in the year	1,544
At 31 December 2022	4,319
Carrying amount	
At 31 December 2022	3,099
At 31 December 2021	4,010

11 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Deferred income	12	-	8,234
Trade creditors		-	180
Other creditors		320	386
Accruals		5,292	2,618
		5,612	11,418

12 Deferred income

	2022 £	2021 £
Deferred income	-	8,234
	-	8,234

13 Analysis of charitable Funds

	Balance at 1 January 2022	Income	Expenditure	Balance at 31 December 2022
Restricted funds:				
Individual Benefactor #4	-	5,000	969	4,031
Camellia Foundation	1,750	18,000	18,000	1,750
	1,750	23,000	18,969	5,781
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	59,860	113,550	81,166	92,244
	59,860	113,550	81,166	92,244
Total funds	63,610	136,550	100,135	100,025

13 Analysis of charitable Funds **(Continued)**

Analysis of funds previous year

	Balance at 1 January 2021	Income	Expenditure	Balance at 31 December 2021
Restricted funds:				
Camellia Foundation	2,250	18,000	18,500	1,750
Other Donation	-	1,384	1,384	-
Individual Benefactor #4	-	3,357	3,357	-
Donated Services	-	10,000	10,000	-
	2,250	32,741	33,241	1,750
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	53,848	81,823	75,811	59,860
	53,848	81,823	75,811	59,860
Total funds	58,098	114,564	109,052	63,610

Description, nature and purpose of unrestricted funds:

General funds :- General fund represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.

Redundancy fund :- Funds set aside to cover redundancies due to two staff contracts becoming permanent.

Description, nature and purpose of restricted funds:

Camellia Foundation :- Towards communications and marketing department staff costs of £18,000 and towards 16 guidelines book update of £3,000. During the year ended 31/12/2020 £750 was spent on 16 guidelines book update. During the year ended 31/12/2021 £500 was spent on 16 guidelines book update leaving a balance of £1,750.

Individual Benefactor #4 :-Towards strategic planning overview

14 Analysis of net assets between funds

	2022	2021
	£	£
Fund balances at 31 December 2022 are represented by:		
Fixed assets	3,099	4,010
Current assets/(liabilities)	96,926	59,600
	100,025	63,610

	2022	2021
Analysis of net assets between funds		
Unrestricted funds	92,244	59,860
Designated funds	2,000	2,000
Restricted funds	5,781	1,750
	100,025	63,610

15 Related party transactions

During the year the charity received donations totalling £10,000 (2021 - £63,657) and donations in kind totalling £4,428 (2021 – £10,000) from the Trustees and related organisations. There were no other related party transactions during the year (2021: £Nil).

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales - Charity number 1110500

Accounts

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

DIRECTORS' AND TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Charity No. 1110500
Company No: 05335841

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

REPORT AND FINANCIAL STATEMENTS

CONTENTS

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

REPORT OF THE DIRECTORS AND 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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OUR PURPOSE AND ACTIVITIES

The Foundation for Developing Compassion and Wisdom envisions a kinder world.

We offer resources for developing a warm heart and a wise mind. We encourage people to become kinder and more compassionate towards themselves as well as towards others based on a deeper understanding of our mind and the world we share with others.

FDCW takes inspiration from its Patron, the Dalai Lama, who said “When it comes to developing our understanding and increasing the positive qualities of our mind, the potential is limitless.”

The training, courses and resources we provide cultivate universal values, mindfulness, compassion and an understanding of the reality of our interconnectedness in every aspect of the world we live in.

Our courses have reached thousands of people across the world through a dedicated and growing network of 90 facilitators spread throughout 22 countries.

Our content is rooted in the ancient wisdom of Buddhist philosophy and psychology as well as modern psychology and sciences of the mind such as neuroscience.

Our approach uncovers a deeper understanding of our mind, our material world, and how these are interconnected. This understanding leads to a more compassionate and caring attitude towards others. An attitude that can become stable and unwavering.

Achievements and Performance

FDCW made strong progress during 2021 by building on the strategic pivot in early 2020 to delivering courses online.

In 2021, a new online learning platform was launched so that methods for cultivating mindfulness, developing compassion and healing relationships became even more accessible. People need tools for managing their mental and emotional health more than ever. Here is what has been accomplished during 2021: -

Global Impact: -

- ✓ Video message from His Holiness the Dalai Lama for our global Conference
- ✓ Successful 6-day Global Conference with 17 presenters in several languages
- ✓ New partnership with non-profit organization in Israel committed to spreading 16 Guidelines program to people in Israel
- ✓ 16 Guidelines delivered to a group of university students in Kenya
- ✓ Technical upgrades completed so the 16G App remains available on Google Play and App Store
- ✓ Published an Annual Review to share the global impact of our work

Online Training: -

- ✓ Redesigned and improved our 16 Guidelines Facilitator Training and Study Zone for online delivery
- ✓ Successfully piloted this new online Facilitator Training with 25 trainees in Israel
- ✓ More facilitators trained to deliver 16 Guidelines Level 2 courses in English and Spanish
- ✓ More facilitators trained to deliver Unlocking Your Potential course with UYP Meet Ups afterwards

Achievements and Performance (Continued)

Online Courses: -

- ✓ Mindfulness training delivered in early 2021
- ✓ New Neuroscience course which ran twice due to popular demand and another scheduled for 2022
- ✓ New Unlocking Your Potential course developed, piloted and launched
- ✓ Redesigned and updated our 8 week 16 Guidelines Level 1 course

Webinars: -

- ✓ What is Mind Webinar with Geshe Namdak and Ceci Buzon (188 people registrations)
- ✓ Beyond Mindfulness Webinar with Dr Joey Weber (145 registrations)
- ✓ Four online forums for facilitators on Kindness, The Inner Work of Racial Justice, Use of Art in Workshops and Safeguarding and Trauma-Informed Facilitation
- ✓ Online "Coffee Breaks" for direct feedback and strengthening of our facilitator community

Communications Progress: -

Significant improvements were made to the website and in our data collection resulting in:-

- ✓ Resources downloaded 714 times from our website
- ✓ Subscribers increased by 59% (due to the conference and new data collection on downloads)
- ✓ The 16 Guidelines for a Happy Life E-book downloaded 55 times.

Free Resources

- ✓ Created Elder Interviews Resource for conversations on values with the elderly community
- ✓ Created Growing with 16 Guidelines – mindfulness and ethical values with children while gardening (downloaded more than 100 times in just a few weeks).
- ✓ Happy Toolbox for Children downloaded 246 times in either English or Spanish
- ✓ 16 Guidelines Discussion Guide downloaded 137 times in either English or Spanish

Strategy for 2022 to 2024

Our long term strategy is to build on our successful online platform by providing more online webinars, courses and trainings to introduce these tools for wisdom and compassion more widely. We plan a series of webinars with the theme of compassion to attract new audiences. We will host our annual conference each year. We will create and refine free resources that are readily downloadable and practical. We will pursue partnerships with organisations who have similar goals for a kinder more, compassionate world.

Our Volunteers

FDCW relies on its strong team of volunteers. Speakers at our four Facilitator Forums and two webinars offered their time preparing for and presenting for free. During our Compassion and Wisdom in Action Conference the majority of speakers and all translators offered their time for free. One of our trustees offered a considerable amount of her time developing courses and delivering training during the year. Two of our senior trainers offered some of their time to developing new online training for FDCW.

A facilitator kindly offered all her time to deliver a mindfulness course for our community early in the year and a trainer offered her time providing training in Spanish in 16 Guidelines. FDCW very much values the contributions made by its volunteers.

Public benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The Statement of Financial Activities showed a net surplus of £5,512 (2020 – net deficit £4,442) for the year and reserves stand at £63,610 (2020 – £58,098).

The Board is delighted that the budget and funds have been managed in such a way this year so that there are surplus unrestricted funds available for allocation towards the 2022 budget.

Principal funding sources

FDCW receives annual funding of the Communications and Marketing Manager's salary from The Camellia Foundation. It receives regular, generous support from the Foundation for Preserving the Mahayana Tradition whose Spiritual Director is Lama Zopa Rinpoche. Lama Zopa Rinpoche is also the Honorary President of FDCW but is not a Board member. FDCW also receives regular funding from the Chair of the Board of its Trustees, Ms Oi Loon Lee.

Reserves policy

It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the Charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The trustees have estimated the reserves needed is £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income.

The Directors consider that the Charity’s reserves will enhance the services provided and provide financial security for the future.

As at 31st December 2021 financial statements showed reserves of £63,610 (2020 - £58,098) of which £59,860 (2020 - £53,848) was general, £2,000 (2020 - £2,000) was designated and £1,750 (2020 – £2,250) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £55,850 (2020 - £53,397).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Foundation for Developing Compassion and Wisdom (the word ‘Limited’ being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up.

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Trustee induction and training

Trustees joining FDCW's Board receive training and necessary documentation in order to make them fully aware of FDCW's past and current activities as well as financial and risk management. All Trustees have completed safeguarding training and have signed an Ethical Policy of conduct.

Organisation structure

FDCW has a Board of seven Trustees spread across UK, Australia and Malaysia. The Executive Director reports to the Trustees during quarterly meetings. The Operations Manager and the Communications and Marketing Manager report to the Executive Director.

Risk management

The Board of Trustees carried out an extensive and comprehensive Risk Management review at the beginning of 2021. The level of risk in the following areas were reviewed and assessed: Governance, External Risk, Compliance, Financial, Operational and Reputational. Areas deemed to be high risk were identified and steps put in place to address and ameliorate these.

Related parties

Ms Oi Loon Lee is the Chair of the Board of Trustees and has offered generous funding to FDCW over several years. Ms Wendy Ridley is a Trustee on the Board and offers her time for free to develop and deliver courses and training for FDCW. Lama Zopa Rinpoche is the Spiritual Director of the Foundation for the Preservation of the Mahayana Tradition (a non-profit that is affiliated with FDCW) and is also the Honorary President of FDCW but is not a member of the Board of Trustees of FDCW.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number:	1110500
Company Number:	05335841
Directors and Trustees:	W K Ridley S A Mills O L Lee J Briggs G T Lama E M Ström D S Cutts R Brentano (Resigned 17/03/2021)
Senior Management:	Victoria Coleman – Executive Director
Treasurer:	D S Cutts
Registered Office:	93 Tabernacle Street, London, England, EC2A 4BA
Bankers:	The Co-operative bank PLC, P.O. Box 250, Skelmersdale WN8 6WT
Independent Examiner:	D Terry – Chartered Accountant, Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of the Foundation for Developing Compassion and Wisdom for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial 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 charitable company for that period. In preparing these 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;
- make judgements 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 charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:

W e n d y   R i d l e y

Wendy Ridley
Trustee

4th March 2022

REPORT OF THE INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report on the accounts of the charitable company for the year ended 31 December 2021.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Respective responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

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

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

D TERRY – CHARTERED ACCOUNTANT
RAMON LEE LTD
93 TABERNACLE STREET
LONDON EC2A 4BA

4th March 2022

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds	Restricted Funds	2021	2020
		£	£	£	£
Income					
Donations	2	73,337	32,741	106,078	91,434
Income from charitable activities	3	8,486	-	8,486	16,618
Total income		81,823	32,741	114,564	108,052
Expenditure					
Cost of raising funds	4	6,943	-	6,943	7,323
Expenditure on charitable activities	4	68,868	33,241	102,109	105,171
Total expenditure		75,811	33,241	109,052	112,494
Net income/(expenditure) and net movement in funds for the		6,012	(500)	5,512	(4,442)
Reconciliation of funds					
Total funds, brought forward		55,848	2,250	58,098	62,540
Total funds, carried forward		61,860	1,750	63,610	58,098

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The statement of financial activities includes all gains and losses recognised in the above financial years.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9		4,010		451
Current assets					
Stock	10	-		1,808	
Debtors	11	-		353	
Cash at bank and in hand		71,018		120,550	
		71,018		122,711	
Liabilities					
Creditors falling due with in one year	12	(11,418)		(65,064)	
Net current assets			59,600		57,647
Net assets			63,610		58,098
The funds of the charity					
Unrestricted funds:					
General	13		59,860		53,848
Designated	13		2,000		2,000
Restricted funds	13		1,750		2,250
Total charity funds			63,610		58,098

In preparing these financial statements:

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors 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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Board of Directors and Trustees on 4th March 2022 and were signed on its behalf by:

W e n d y R i d l e y .... **Wendy Ridley - Trustee**

.... **D. S. Cutts - Trustee**

Company Registration No 05335841

The notes on pages 10 to 19 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit 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 financial statements 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 are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements.

1.2 Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net surplus of £5,512 (2020 – net deficit £4,442) for the period and free reserves of £55,850 (2020 – £53,397). The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 to 18 months and on this basis the Charity is a going concern.

1.4 Income recognition

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income
Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

1.5 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

(a) Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.

(b) Expenditure on charitable activities include expenditure associated with the main objectives of the Charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.7 Allocation of support costs

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 5.

1.8 Funds structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.9 Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution is provided in the trustees' report.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £250 are not capitalised. Depreciation is provided at rates calculated to write of the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	-	4 years

1.11 Stock

Stock is shown at the lower of cost and net realisable value. Stock consists of books and cards.

1.12 Debtors

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

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term cash deposits.

1.14 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Financial instruments

The Charity 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.

1.16 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.17 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.18 Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, 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.

1.19 Pension Costs

The charity operates a contributory defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.20 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102), not to prepare a cash flow statement.

2. GRANTS, DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	2021	2020
	£		£	£
Individual Benefactor #4	60,000	3,357	63,357	10,000
Terrapin	-	-	-	5,000
Other Donations	13,337	1,384	14,721	11,297
Foundation for the Preservation of the Mahayana Tradition, Inc. - Vistare Foundation	-	-	-	39,321
16 Guidelines programme:				
Camellia Foundation	-	-	-	3,000
Communications:				
Camellia Foundation	-	18,000	18,000	18,000
Donated Services	-	10,000	10,000	4,816
	73,337	32,741	106,078	91,434

The grants, donations and legacies income in 2020 totalling £91,434 was attributed £21,928 to restricted funds and £69,506 to unrestricted funds.

The donations in kind are recognised within income as donations, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £10,000 (2020 – £4,816)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Training income:				
The a.r.t of Fulfilment Programme	1,314	-	1,314	2,579
16 Guidelines Programme	3,595	-	3,595	11,269
Neuroscience Programme	3,480	-	3,480	-
16 Guidelines Resources distribution:				
Publication Sales	97	-	97	2,770
	8,486	-	8,486	16,618

The income from charitable activities in 2020 totalling £16,618 was attributed to unrestricted funds.

4. ANALYSIS OF EXPENDITURE

	Raising Funds	The A.R.T. of Fulfilment Programme	16 Guidelines Programme	Neuroscience Programme	Communications	16 Guidelines Resources distribution	2021	2020
	£	£	£	£	£	£	£	£
Staff costs	4,808	3,205	11,834	3,205	30,539	3,206	56,797	56,668
Direct project costs	-	9,878	3,746	1,623	1,565	1,900	18,712	21,944
Support costs (Note 5)	1,708	4,649	5,535	1,716	11,407	1,814	26,829	26,965
Governance costs (Note 5)	427	1,163	1,385	429	2,854	456	6,714	6,917
	6,943	18,895	22,500	6,973	46,365	7,376	109,052	112,494

Of the £109,052 expenditure in 2021 (2020 - £112,494), £75,811 was charged to unrestricted funds (2020 - £92,816) and £33,241 to restricted funds (2020 - £19,678).

5. ANALYSIS OF SUPPORT AND GOVENANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken (see note 4) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	General Support	Governance Function	2021	2020
	£	£	£	£
Staff costs	16,269	4,808	21,077	20,110
Premises and computer equipment cost	-	-	-	3,600
Communications	4,157	-	4,157	3,149
Legal and professional	1,338	-	1,338	1,770
Insurance	948	-	948	796
Bank charges & exchange differences	437	-	437	713
Miscellaneous expenses	2,294	-	2,294	1,722
Depreciation	1,386	-	1,386	150
Trustees expenses	-	46	46	72
Independent Examination Fees	-	1,860	1,860	1,800
	26,829	6,714	33,543	33,882

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2021	2020
	£	£
Net movement in funds is shown after charging:		
Independent examiners' fees	1,860	1,800
Depreciation on tangible fixed assets	1,386	150

7. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

	2021	2020
	£	£
STAFF COSTS		
Salaries	73,708	72,768
National Insurance	2,516	2,421
Pension	1,650	1,589
	77,874	76,778

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration during the year. None of the trustees were reimbursement expenses during the year (2020 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £32,053 (2020 - £34,114).

8. STAFF NUMBERS

The average number of full- time equivalent employees was as follows:

	2021	2020
Direct charitable work	2.50	3

The average monthly number of persons employed by the Charity during the year was 3 (2020 – 3).

9. FIXED ASSETS

	2021	2020
Net book value:	**£**	**£**
Computer Equipments	4,010	451
	4,010	451

Movements in the period:

Cost:	**Opening Balances £**	**Additions £**	**Disposals £**	**Closing Balances £**
Computer Equipments	1,840	4,945	-	6,785
	1,840	4,945	-	6,785

Depreciation:	**Opening Balances £**	**Charge For Period £**	**Disposals £**	**Closing Balances £**
Computer Equipments	1,389	1,386	-	2,775
	1,389	1,386	-	2,775

10. STOCK

	2021 £	2020 £
Books, cards and CD's stock	-	1,808
	-	1,808

11. DEBTORS

	2021 £	2020 £
Trade Debtors	-	353
	-	353

12. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade Creditors	180	300
Other Creditors	386	2,284
Accruals	2,618	1,980
Deferred Income (Note 15)	8,234	60,500
	11,418	65,064

13. ANALYSIS OF CHARITABLE FUNDS

	Balance at 01.01.21 £	Income £	Expenditure £	Balance at 31.12.21 £
Restricted funds:				
Camellia Foundation	2,250	18,000	18,500	1,750
Other Donations	-	1,384	1,384	-
Individual Benefactor #4	-	3,357	3,357	-
Donated Services	-	10,000	10,000	-
	2,250	32,741	33,241	1,750
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	53,848	81,823	75,811	59,860
	55,848	81,823	75,811	61,860
Total funds	58,098	114,564	109,052	63,610

13. ANALYSIS OF CHARITABLE FUNDS (Cont/d)

Analysis of funds previous year

	Balance at 01.01.20	Income	Expenditure	Balance at 31.12.20
	£	£	£	£
Restricted funds:				
Camellia Foundation	-	21,000	18,750	2,250
Other Donations	-	928	928	-
	-	21,928	19,678	2,250
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	60,540	86,124	92,816	53,848
	62,540	86,124	92,816	55,848
Total funds	62,540	108,052	112,494	58,098

Description, nature and purpose of unrestricted funds:

General funds	General fund represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.
Redundancy fund	Funds set aside to cover redundancies due to three staff contracts becoming permanent.

Description, nature and purpose of restricted funds:

Individual Benefactor #4	Towards 16 Guidelines for Children and 16G App technical upgrade
Other Donations	Towards Christmas lunch, other publications and 16G App technical upgrade
Camellia Foundation	Towards communications and marketing department staff costs of £18,000 and towards 16 guidelines book update of £3,000. During the year ended 31/12/2020 £750 was spent on 16 guidelines book update. During the year ended 31/12/2021 £500 was spent on 16 guidelines book update leaving a balance of £1,750.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds £	Restricted Funds £	2021 Total £
Fixed assets	4,010	-	-	4,010
Net Current assets	55,850	2,000	1,750	59,600
	59,860	2,000	1,750	63,610

Analysis of net assets between funds – previous year

	General Funds	Designated Funds £	Restricted Funds £	2020 Total £
Fixed assets	451	-	-	451
Net Current assets	53,397	2,000	2,250	57,647
	53,848	2,000	2,250	58,098

15. DEFERRED INCOME

	2021 £	2020 £
Balance brought forward	60,500	5,000
Amount released to income in the year	(60,500)	(5,000)
Amount deferred in the year	8,234	60,500
Balance carried forward	8,234	60,500

The deferred income represents an unrestricted donation of £8,234 from Donation from Potential project for 2022 budget received in advance.

16. RELATED PARTY TRANSACTIONS

During the year the Charity received donations totalling £63,657 (2020 - £10,000) and donations in kind totalling £10,000 (2020 – £4,816) from Trustees. There were no other related parties' transactions during the year (2020: £Nil).

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

England & Wales - Charity number 1110500

Accounts

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Charity No. 1110500
Company No: 05335841

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

REPORT AND ACCOUNTS

CONTENTS

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st December 2020, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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).

OUR PURPOSE AND ACTIVITIES

The Foundation for Developing Compassion and Wisdom (FDCW) was established as a global charity based in London in 2005. Since then it has provided secular training, programmes and resources across many sectors of society – schools, universities, hospices, workplaces, healthcare, youth groups and community centres.

FDCW courses have reached thousands of people across the world through a dedicated and growing network of 90 facilitators spread throughout 22 countries.

FDCW creates programmes, training and resources that cultivate and explore universal values such as humility, kindness, courage, compassion, empathy. By seeing our experiences through the lens of these values, we learn to manage our negative emotions better and create the space for wiser choices. The content is inspired by ancient Buddhist wisdom and Western philosophy without religious elements. Courses are presented in a modern way using scientific evidence and current theories in psychology so that they are universally relevant in a modern world.

FDCW courses put the student at the heart of the learning process. Unlike traditional learning experiences in which the teacher may be perceived as 'the sage on the stage', FDCW facilitators aspire to be 'the guide on the side' - walking the path of learning together with the students.

Whether a course is delivered in person or online, trained facilitators create the conditions for the students' growth and inner wisdom to unfold through creative exploration and heartfelt reflection and sharing in pair and group activities. By bringing qualities of mindfulness to the gradual process of unfolding understanding, learning becomes a whole-hearted experience not a process of simply receiving information.

What is Universal Education?

Universal Education is an approach to education that seeks to provide human beings (children and adults alike) with the keys to unlock and develop the best and most positive aspects of their hearts and minds. This includes helping people to become kinder and more deeply compassionate towards themselves and others through developing greater wisdom of our human reality.

In its content and methodology Universal Education for Compassion and Wisdom (UECW) is both ancient and contemporary. It is rooted in the ancient wisdom of Buddhist philosophy and psychology together with contemporary research from the natural and social sciences and complementary material from other wisdom and spiritual traditions.

This approach offers a practical methodology that enables a person to gain a deeper understanding of themselves, the material world, and the interconnection between the two in order to develop a deeply compassionate attitude with which to relate to others and to address the vicissitudes of life.

Inspiration for Universal Education

FDCW takes inspiration from its Patron, the Dalai Lama, who is one of the world's leading advocates for the promotion of human values and universal ethics in education and society.

As a result of attending FDCW training and courses, participants can build resilience; develop their inner qualities which act as inner resources; improve their relationships; make more conscious choices about how they live and contribute to the world. FDCW's aim is to contribute to creating a more peaceful, compassionate and sustainable world.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

REPORT OF THE DIRECTORS AND TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and Performance

As the global pandemic has unfolded, the demand for meditation, compassion and resilience programs has never been greater. FDCW responded in early 2020 by making a wide range of resources and courses available online. 21 “live” courses and trainings were provided throughout the year.

This culminated in a very successful online summit in November to celebrate Universal Education. A series of “live” online presentations were offered by 15 speakers in several languages simultaneously and live-streamed to Facebook. Before the Festival, FDCW Patron, His Holiness the Dalai Lama said:-

I offer my good wishes to you all on the occasion of the Big Love Festival celebrating forty years of effort in the area of Universal Education by the Foundation for Developing Compassion and Wisdom.

The Festival generated a lot of interest and proved an important way to raise FDCW’s global profile and awareness of its courses, products and resources.

In 2020, FDCW achieved the following milestones:-

- ✓ Fast response to Covid lock-down by adapting all our programs for online delivery
- ✓ Provided training to facilitators on how to facilitate courses online effectively using Zoom
- ✓ Delivered 20 paid online courses throughout the year, courses were:-
  16 Guidelines for Children and Teens (twice)
  16 Guidelines for Children and Teens Facilitator Training
  16 Guidelines Level 1 (four times)
  16 Guidelines Level 2 (three times)
  Building on the Basics (twice)
  Building Balanced Empathy (three times)
  Unlocking Your Potential (twice)
  Unlocking Your Potential Facilitator Training (twice) and
  Facing Death, Discovering Life
- ✓ Free online drop in sessions called “Coming Together” to offer support during the pandemic
- ✓ Free Webinars on Neuroscience and on Impermanence and Death
- ✓ New Happy Toolbox for Kids free resource available in English and Spanish
- ✓ Delivered a program remotely to 20 teenage girls in Nepal and received positive feedback
- ✓ Trained 26 Facilitators to deliver the new Unlocking Your Potential course

Marketing Achievements

- ✓ Secured a substantial Google grant for free advertising of FDCW courses and products
- ✓ New Shop webpage for E-books, 16G Self Study Kits, etc
- ✓ Converted 16 Guidelines for Life print book into an E-book
- ✓ New E-book available for purchase in both English and Spanish
- ✓ New Resources webpage (print, audio and video resources) resulting in regular downloads
- ✓ Successful marketing campaigns for each of the 20 online courses throughout 2020
- ✓ New monthly Facilitator Newsletter to inspire and support our worldwide Facilitators
- ✓ Community Newsletters to share news of our paid courses, free resources and events
- ✓ New FDCW YouTube channel
- ✓ By Dec 2020, traffic to FDCW’s website increased by 109%
- ✓ By Dec 2020, a record number of FDCW resources were downloaded across many countries
- ✓ Subscribers to our monthly Newsletter increased by 150%

Development and Governance

- ✓ Convened the very first online summit called Big Love Festival to celebrate Universal Education programs and resources in November 2020
- ✓ Created and launched a brand new course called Unlocking Your Potential
- ✓ New Commitment to an Inclusion and Diversity and convened a Forum on this subject
- ✓ Delivered 7 online Forums for FDCW Facilitators for continuing professional development
- ✓ Attracted many new donors during the Big Love Festival
- ✓ Created a new efficient system for online course payments, price structure and registrations
- ✓ Board of Trustees continues its comprehensive review of all policies to upgrade existing and create new policies to ensure that FDCW maintains best ethical, operational, risk management, and fiscal practices
- ✓ There was an induction process for new Trustees
- ✓ Trustees are kept up to date with any governance requirements

Strategy for 2021 to 2023

Building on the successes and learning during 2020, our strategy for 2021 to 2023 is focused on three pillars:

- ➢ Grow Training
- ➢ Build UE Communities
- ➢ Generate Income

Grow Training

In 2021, FDCW will launch a new training program delivered in 5 modules. The aim is to provide high-quality, online paid facilitator training. Universal Education puts the student at the heart of the process. The job of the Universal Education facilitator is to create the conditions for the student's inner wisdom and compassion to unfold. We need trained facilitators to share the tools of UE with across the world and effect positive change.

Build UE Communities

People need to feel connected and supported while learning the tools for their inner happiness and developing compassion. Otherwise, there will not be lasting change.

What will we do:

- Create a new UE Connect map to connect those interested in UE locally forming hubs
- Disseminate free resources to targeted audiences
- Increase engagement option through social media channels
- Host an annual online summit celebrating UE courses and tools for compassion

What impact will this make:

- Nurture local UE communities of practice around the world
- increase diversity of our audiences
- build networks attracting new audiences

Generate Income

Historically FDCW has relied on the generosity of a very small number of generous benefactors.

What will we do:

- Increase our range of products
- Focus on attracting regular donors
- Pivot to deliver training and summits online

What impact will this make:

- Diversify our funding sources
- Sustainable funding
- Provide strong foundation for long term growth

Public benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The Statement of Financial Activities showed a net deficit of £4,442 (2019 – surplus £29,954) for the year and reserves stand at £58,098 (2019 – £62,540).

Reserves policy

It is the policy of the Trustees to maintain free reserves at a level equivalent to at least three months running costs to enable the Charity to meet its obligations in the short term together with funds to cover any unforeseen deficits or revenue shortfalls. The trustees have estimated the reserves needed is £30,000.

Three months running costs are calculated on the basis of projected expenditure, with no allowance made for projected income.

The Directors consider that the Charity's reserves will enhance the services provided and provide financial security for the future.

As of 31st December 2020 accounts showed reserves of £58,098 (2019 - £62,540) of which £53,848 (2019 - £60,540) was general, £2,000 (2019 - £2,000) was designated and £2,250 (2019 – Nil) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £53,397 (2019 - £60,538).

Governing document

Foundation for Developing Compassion and Wisdom (the word 'Limited' being omitted by licence from the Department of Trade) is registered as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 18th January 2005 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 1110500 and the company registration number is 05335841.

Recruitment and appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by Foundation for Developing Compassion and Wisdom. The Directors of the organisation are also the charity trustees for the purposes of charity law.

The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number: 1110500

Company Number: 05335841

Directors and Trustees

W K Ridley
R Brentano (Resigned 17/03/2021)
S A Mills
O L Lee
J Briggs
G T Lama
E M Ström
D S Cutts (Appointed 28/09/2020)

Senior Management: Victoria Coleman – Executive Director

Treasurer: D S Cutts

Registered Office: 93 Tabernacle Street, London, England, EC2A 4BA

Bankers: The Co-operative bank PLC,PO Box 250, Skelmerdale WN8 6WT

Independent Examiner: D Terry – Chartered Accountant,
Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of the Foundation for Developing Compassion and Wisdom for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial 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 charitable company for that period. In preparing these 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;
- make judgements 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 charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:

Wendy K. Ridley

Wendy Ridley - Trustee

7th June 2021

REPORT OF THE INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

I report on the accounts of the company for the year ended 31 December 2020.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Respective responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

D Terry

D TERRY – CHARTERED ACCOUNTANT
RAMON LEE LTD
93 TABERNACLE STREET
LONDON EC2A 4BA

7th June 2021

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds	Restricted Funds	2020	2019
		£	£	£	£
Income					
Donations	2	69,506	21,928	91,434	122,211
Income from charitable activities	3	16,618	-	16,618	11,283
Total income		86,124	21,928	108,052	133,494
Expenditure					
Cost of raising funds	4	7,323	-	7,323	8,197
Expenditure on charitable activities	4	85,493	19,678	105,171	95,343
Total expenditure		92,816	19,678	112,494	103,540
Net income/(expenditure) and net movement in funds for the year		(6,692)	2,250	(4,442)	29,954
Reconciliation of funds					
Total funds, brought forward		62,540	-	62,540	32,586
Total funds, carried forward		55,848	2,250	58,098	62,540

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006**.**

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The statement of financial activities includes all gains and losses recognised in the above financial years.

The notes on pages 11 to 20 form part of these accounts

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9		451		2
Current assets					
Stock	10	1,808		5,176	
Debtors	11	353		301	
Cash at bank and in hand		120,550		68,195	
		122,711		73,672	
Liabilities					
Creditors falling due with in one yea	12	(65,064)		(11,134)	
Net current assets			57,647		62,538
Net assets			58,098		62,540
The funds of the charity					
Unrestricted funds:					
General	13		53,848		60,540
Designated	13		2,000		2,000
Restricted funds	13		2,250		-
Total charity funds			58,098		62,540

In preparing these financial statements:

For the financial period ended 31st December 2020 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These accounts were approved and authorised for issue by the Board of Directors and Trustees on 7th June 2021 and were signed on its behalf by:

Wendy K Ridley .... **Wendy Ridley** **- Trustee**

Company Registration No 05335841

The notes on pages 11 to 20 form part of these accounts

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements have been prepared 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) (effective 1 January 2019) – (Charity SORP (FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Foundation for Developing Compassion and Wisdom meets the definition of a public benefit entity under FRS 102.

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

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net deficit of £4,442 (2019 – surplus £29,954) for the period and free reserves of £53,397 (2019 – £60,538). The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 to 18 months and on this basis the Charity is a going concern.

1.3 Income recognition

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

Grant income
Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Donations and legacies
Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.5 Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

(a) Cost of raising funds comprises costs of seeking donations, legacies and grants and their associated support costs.

(b) Expenditure on charitable activities include expenditure associated with the main objectives of the Charity and include both directs costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the Charity’s programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 5.

1.7 Funds structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £250 are not capitalised. Depreciation is provided at rates calculated to write of the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	4 years
Furniture & fixtures	-	4 years

1.9 Stock

Stock is shown at the lower of cost and net realisable value. Stock consists of books and cards.

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term cash deposits.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Financial instruments

The Charity 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.

1.14 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.15 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.16 Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, 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.

1.17 Pension Costs

The charity operates a contributory defined contribution pension scheme, the assets of which are held separately from those of the charity. Pension costs are charged to the SOFA in the period to which they relate.

1.18 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102), not to prepare a cash flow statement.

2. GRANTS, DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds	2020 £	2019 £
Individual Benefactor #4	10,000	-	10,000	-
Terrapin	5,000	-	5,000	-
Other individual Donations	10,369	928	11,297	1,449
Foundation for the Preservation of the Mahayana Tradition, Inc. - Vistare Foundation	39,321	-	39,321	100,762
16 Guidelines programme:				
Camellia Foundation	-	3,000	3,000	-
Individual Benefactor #14	-	-	-	2,000
Communications:				
Camellia Foundation	-	18,000	18,000	18,000
Donated Services	4,816	-	4,816	-
	69,506	21,928	91,434	122,211

The grants, donations and legacies income in 2019 totalling £122,211 was attributed to £20,862 restricted funds and £101,349 unrestricted funds.

The donations in kind are recognised within income as donations, and corresponding charges included within direct project costs. The values placed on these contributions by the charity are:

- Individual – Direct project costs £4,816 (2019 – Nil)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Training income				
The a.r.t of Fulfilment Programme	2,579	-	2,579	1,773
16 Guidelines programme	11,269	-	11,269	5,057
16 Guidelines Resources distribution:				
Publication Sales	2,770	-	2,770	4,453
	16,618	-	16,618	11,283

The income from charitable activities in 2019 totalling £11,283 was attributed to unrestricted funds.

4. ANALYSIS OF EXPENDITURE

	Raising Funds	The a.r.t. of Fulfilment Programme	16 Guidelines Programme	Communications	16 Guidelines Resources distribution	2020	2019
	£	£	£	£	£	£	£
Staff costs	5,117	6,823	11,821	29,496	3,411	56,668	52,079
Direct project costs	-	3,757	17,267	920	-	21,944	14,009
Fundraising costs	-	-	-	-	-	-	158
Support costs (Note 5)	1,755	3,629	9,978	10,433	1,170	26,965	30,283
Governance costs (Note 5)	450	931	2,559	2,676	300	6,917	7,011
	7,323	15,140	41,624	43,525	4,881	112,494	103,540

Of the £112,494 expenditure in 2020 (2019 - £103,540), £92,816 was charged to unrestricted funds (2019 - £82,678) and £19,678 to restricted funds (2019 - £20,862).

5. ANALYSIS OF SUPPORT AND GOVENANCE COSTS

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's five key activity undertaken (see note 4) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	General Support	Governance Function	2020	2019
	£	£	£	£
Staff costs	14,993	5,117	20,110	22,598
Premises and equipment costs	3,600	-	3,600	7,259
Communications	3,149	-	3,149	2,263
Legal and professional	1,770	-	1,770	894
Insurance	796	-	796	766
Bank charges & exchange differences	713	-	713	28
Miscellaneous expenses	1,722	-	1,722	1,614
Depreciation	150	-	150	-
Trustees expenses	72	-	72	72
Independent examiner	-	1,800	1,800	1,800
	26,965	6,917	33,882	37,294

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2020	2019
	£	£
Net movement in funds is shown after charging:		
Independent examiners' fee	1,800	1,800
Depreciation on tangible fixed assets	150	-

7. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

	2020	2019
	£	£
STAFF COSTS		
Salaries	72,768	70,277
National Insurance	2,421	3,060
Pension	1,589	1,340
	76,778	74,677

There were no employees whose annual emoluments were £60,000 or more.

None of the Trustees received any remuneration during the year. None of the trustees were reimbursement expenses during the year (2019 - £nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £34,114 (2019 - £33,942).

8. STAFF NUMBERS

The average number of full- time equivalent employees was as follows:

	2020	2019
Direct charitable work	3	2.5

The average monthly number of persons employed by the Charity during the year was 3 (2019 – 3).

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. FIXED ASSETS

	2020	2019
Net book value:	£	£
Equipment	451	1
Furniture & Fixtures	-	1
	451	2

Movements in the period:

Cost:	Opening Balances	Additions	Disposals	Closing Balances
	£	£	£	£
Equipment	4,192	600	2,952	1,840
Furniture & Fixtures	575	-	575	-
	4,767	600	3,527	1,840

Depreciation:	Opening Balances	Charge For Period	Disposals	Closing Balances
	£	£	£	£
Equipment	4,191	150	2,952	1,389
Furniture & Fixtures	574	-	574	-
	4,765	150	3,526	1,389

10. STOCK

	2020	2019
	£	£
Books, cards and CD's stock	1,808	5,176
	1,808	5,176

11. DEBTORS

	2020	2019
	£	£
Trade Debtors	353	301
	353	301

12. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Trade Creditors	300	2,084
Other Creditors	2,284	290
Accruals	1,980	3,760
Deferred Income	60,500	5,000
	65,064	11,134

13. ANALYSIS OF CHARITABLE FUNDS

	Balance at 01.01.20	Income	Expenditure	Balance at 31.12.20
	£	£	£	£
Restricted funds:				
Other individual donations	-	928	928	-
Camellia Foundation	-	21,000	18,750	2,250
	-	21,928	19,678	2,250
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	60,540	86,124	92,816	53,848
	62,540	86,124	92,816	55,848
Total funds	62,540	108,052	112,494	58,098

Analysis of funds previous year

	Balance at 01.01.19	Income	Expenditure	Balance at 31.12.20
	£	£	£	£
Restricted funds:				
Individual Benefactor #15	-	2,000	2,000	-
Foundation for Preservation of the Mahayana Tradition, Inc.	-	762	762	-
Other individual donations	-	100	100	-
Camellia Foundation	-	18,000	18,000	-
	-	20,862	20,862	-
Unrestricted funds				
Designated funds:				
Redundancy fund	2,000	-	-	2,000
	2,000	-	-	2,000
General funds	30,586	112,632	82,678	60,540
	32,586	112,632	82,678	62,540
Total funds	32,586	133,494	103,540	62,540

13. ANALYSIS OF CHARITABLE FUNDS (continued)

Description, nature and purpose of unrestricted funds:

General funds	General fund represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.
Redundancy fund	Funds set aside to cover redundancies due to three staff contracts becoming permanent.

Description, nature and purpose of restricted funds:

Individual Benefactor #15	16 Guidelines for Children
Other individuals	Towards Christmas lunch and towards other publications
FPMT	Towards travel costs
Camellia Foundation	Towards communications and marketing department staff costs of £18,000 and towards 16 guidelines book update of £3,000.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General	Designated £	Restricted £	Total £
Fixed assets	451	-	-	451
Net Current assets	53,397	2,000	2,250	57,647
	53,848	2,000	2,250	58,098

Analysis of net assets between funds – previous year

	General	Designated £	Restricted £	Total £
Fixed assets	2	-	-	2
Net Current assets	60,538	2,000	-	62,538
	60,540	2,000	-	62,540

15. DEFERRED INCOME

	2020 £	2019 £
Balance brought forward	5,000	100,280
Amount released to income in the year	(5,000)	(100,280)
Amount deferred in the year	60,500	5,000
Balance carried forward	60,500	5,000

The deferred represent an unrestricted donation of £60,000 from one of the trustees and £500 from Gisella Barche for 2021 received in advance.

16. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital divided by shares.

17. RELATED PARTY TRANSACTIONS

During the year the Charity received donations totalling £10,000 (2019 - £Nil) and donations in kind totalling £4,816 (2019 – Nil) from Trustees. There were no other related parties transactions during the year (2019: £nil).