

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
Tonbridge
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 Tsendendamba, 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**.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

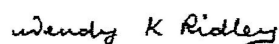
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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:



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.



David Terry FCA

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

Dated: 17 June 2024

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

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 £
<u>Income from:</u>					
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
<u>Expenditure on:</u>					
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 £	£	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	
		<u>142,720</u>		<u>102,538</u>	
Creditors: amounts falling due within one year	12	<u>(5,512)</u>		<u>(5,612)</u>	
Net current assets			137,208		96,926
Total assets less current liabilities			<u>138,763</u>		<u>100,025</u>
Income funds					
Restricted funds	13		4,031		5,781
<u>Unrestricted funds</u>					
Designated funds	14	10,000		2,000	
General unrestricted funds		<u>124,732</u>		<u>92,244</u>	
			134,732		94,244
			<u>138,763</u>		<u>100,025</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

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.

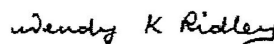
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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



W K Ridley
Trustee



Company registration number 05335841

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 direct 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
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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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>114,791</u>	<u>18,000</u>	<u>132,791</u>	<u>131,129</u>
For the year ended 31 December 2022	<u>108,129</u>	<u>23,000</u>		<u>131,129</u>

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)

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>3,421</u>	<u>7,649</u>	<u>11,070</u>	<u>5,421</u>
Analysis by fund				
Unrestricted funds	<u>3,421</u>	<u>7,649</u>	<u>11,070</u>	<u>5,421</u>
	<u>3,421</u>	<u>7,649</u>	<u>11,070</u>	<u>5,421</u>
For the year ended 31 December 2022				
Unrestricted funds	<u>4,969</u>	<u>452</u>		<u>5,421</u>
	<u>4,969</u>	<u>452</u>		<u>5,421</u>

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
	<u>10,176</u>	<u>10,176</u>	<u>10,571</u>
For the year ended 31 December 2022			
Fundraising and publicity	<u>10,571</u>		<u>10,571</u>
	<u>10,571</u>		<u>10,571</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>21,792</u>	<u>3,042</u>	<u>28,897</u>	<u>3,043</u>	<u>56,774</u>	<u>54,274</u>
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
	<u>36,444</u>	<u>5,088</u>	<u>48,326</u>	<u>5,089</u>	<u>94,947</u>	<u>89,564</u>
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
	<u>36,444</u>	<u>5,088</u>	<u>48,326</u>	<u>5,089</u>	<u>94,947</u>	<u>89,564</u>
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
	<u>37,211</u>	<u>5,603</u>	<u>41,051</u>	<u>5,699</u>		<u>89,564</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>33,306</u>	<u>8,958</u>	<u>42,264</u>	<u>39,455</u>
Analysed between				
Fundraising	3,224	867	4,091	4,165
Charitable activities	30,082	8,091	38,173	35,290
	<u>33,306</u>	<u>8,958</u>	<u>42,264</u>	<u>39,455</u>

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>1,544</u>	<u>1,544</u>
<u>Independent Examiner's Fees</u>		
Independent Examination	2,220	2,100
Other Services	765	720
	<u>2,985</u>	<u>2,820</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Direct Charitable work	2	3
	<u>2</u>	<u>3</u>
	2023 £	2022 £
Wages and salaries	76,892	71,640
Social security costs	297	1,534
Pension costs	1,230	1,376
	<u>78,419</u>	<u>74,550</u>

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	<u>7,418</u>
Depreciation and impairment	
At 1 January 2023	4,319
Depreciation charged in the year	1,544
At 31 December 2023	<u>5,863</u>
Carrying amount	
At 31 December 2023	<u>1,555</u>
At 31 December 2022	<u>3,099</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments	422	-
	<u>422</u>	<u>-</u>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	342	320
Accruals	5,170	5,292
	<u>5,512</u>	<u>5,612</u>

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)	-
	<u>1,750</u>	<u>23,000</u>	<u>(18,969)</u>	<u>5,781</u>	<u>18,000</u>	<u>(19,750)</u>	<u>4,031</u>

Description, nature and purpose of restricted funds:

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

Individual Benefactor #4 :-Towards strategic planning overview.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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:

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

Description, nature and purpose of designated funds:

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

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>124,732</u>	<u>10,000</u>	<u>4,031</u>	<u>138,763</u>	<u>92,244</u>	<u>2,000</u>	<u>5,781</u>	<u>100,025</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.