

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

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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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2025

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 **16 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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2025

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).

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2025

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.

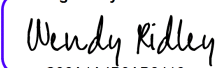
The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

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:


C96A1A4B9AB8416...
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:



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 £
<u>Income from:</u>					
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
<u>Expenditure on:</u>					
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.

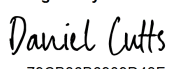
The directors acknowledge their responsibilities for:

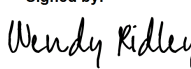
- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit 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:

 79CB36B6909D43F...
D S Cutts
 Trustee

Signed by:

 C96A1A4B9AB8416...
W K Ridley
 Trustee

Company registration number 05335841 (England and Wales)

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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 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 8.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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
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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.

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
	<u>85,421</u>	<u>20,000</u>	<u>105,421</u>	<u>32,741</u>
For the year ended 31 December 2024	<u>12,741</u>	<u>20,000</u>		<u>32,741</u>

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
	<u>2,840</u>	<u>230</u>	<u>3,070</u>	<u>7,823</u>
Analysis by fund				
Unrestricted funds	<u>2,840</u>	<u>230</u>	<u>3,070</u>	<u>7,823</u>
	<u>2,840</u>	<u>230</u>	<u>3,070</u>	<u>7,823</u>
For the year ended 31 December 2024				
Unrestricted funds	<u>3,672</u>	<u>4,151</u>		<u>7,823</u>
	<u>3,672</u>	<u>4,151</u>		<u>7,823</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 £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
	<u>1,628</u>	<u>1,628</u>	<u>2,509</u>
For the year ended 31 December 2024	<u>2,509</u>		<u>2,509</u>

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 Governance costs	647	647	540
	<u>10,519</u>	<u>10,519</u>	<u>9,674</u>
For the year ended 31 December 2024	<u>9,674</u>		<u>9,674</u>
	<u>9,674</u>		<u>9,674</u>

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
	<u>4,069</u>	<u>26,345</u>	<u>32,234</u>	<u>62,648</u>	<u>67,666</u>
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
	<u>6,059</u>	<u>39,221</u>	<u>47,989</u>	<u>93,269</u>	<u>97,538</u>
Analysis by fund					
Unrestricted funds	6,059	19,221	47,989	73,269	77,538
Restricted funds	-	20,000	-	20,000	20,000
	<u>6,059</u>	<u>39,221</u>	<u>47,989</u>	<u>93,269</u>	<u>97,538</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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
	<u>27,690</u>	<u>6,385</u>	<u>34,075</u>	<u>32,835</u>
Analysed between				
Fundraising	2,807	647	3,454	2,963
Charitable activities	24,883	5,738	30,621	29,872
	<u>27,690</u>	<u>6,385</u>	<u>34,075</u>	<u>32,835</u>

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
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Independent Examiner's Fees

Independent Examination	2,580	2,400
Other Services	974	823
	<u>3,554</u>	<u>3,223</u>

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
	<u>2</u>	<u>2</u>

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

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	<u>6,178</u>
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	<u>6,178</u>
Carrying amount	
At 31 December 2025	<u>-</u>
At 31 December 2024	<u>160</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

12	Debtors	2025	2024
		£	£
	Amounts falling due within one year:		
	Prepayments	469	425
		<u>469</u>	<u>425</u>
13	Creditors: amounts falling due within one year	2025	2024
		£	£
	Trade creditors	458	-
	Other creditors	3,150	342
	Accruals	4,325	5,593
		<u>7,933</u>	<u>5,935</u>

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

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	Incoming	Resources	Transfers	Balance at	Incoming	Resources	Balance at
	1 January 2024	resources	expended		1 January 2025	resources	expended	31 December 2025
	£	£	£	£	£	£	£	£
Individual Benefactor 4	4,031	-	-	(4,031)	-	-	-	-
Camellia Foundation	-	20,000	(20,000)	-	-	20,000	(20,000)	-
	<u>4,031</u>	<u>20,000</u>	<u>(20,000)</u>	<u>(4,031)</u>	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>

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.

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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	Incoming	Resources	Balance at	Resources	Transfers
	1 January 2024	resources	expended	1 January 2025	expended	31 December 2025
	£	£	£	£	£	£
Redundancy fund	10,000	-	-	10,000	-	4,076
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>4,076</u>
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>4,076</u>

Description, nature and purpose of designated funds:

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

FOUNDATION FOR DEVELOPING COMPASSION AND WISDOM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

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
	<u>66,879</u>	<u>14,076</u>	<u>80,955</u>
	Unrestricted funds £	Designated funds £	Total 2024 £
At 31 December 2024:			
Tangible assets	160	-	160
Current assets/(liabilities)	64,464	10,000	74,464
	<u>64,624</u>	<u>10,000</u>	<u>74,624</u>

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.