

THE BRITISH WHEEL OF YOGA LIMITED

(LIMITED BY GUARANTEE)

Registered Charity Number 1136674

Company Number 07030679

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**



Wright Vigar Limited
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

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FOR THE YEAR ENDED 31 OCTOBER 2021

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TRUSTEES ANNUAL REPORT - Year end 31st October 2021

THE BRITISH WHEEL OF YOGA LIMITED

(LIMITED BY GUARANTEE)

Registered Company Number 07030679

Registered Charity Number 1136674

Report of the Trustees for the year ended 31st October 2021

The trustees, who are also the Directors of the charitable company, present this report with the Financial Statements of the Charity for the year ended 31st October 2021. As well as being a report of the trustees, it is also, for the purposes of the Companies Act, a Directors' Report. These Statements are in accordance with the Companies Act 2006, the Statement of Recommended Practice (FRS 102) and the Company's governing documents (the Memorandum and Articles of Association).

On February 10th, 2022, The British Wheel of Yoga Limited (referred to throughout as 'BWY') elected a wholly new board of trustees (referred to throughout as the National Executive Committee or 'NEC') which marked a turn in governance for BWY. However, this report is written in regard to the financial performance during the tenure of the previous NEC. There were several difficult issues that occurred during the previous financial year including internal failings in both leadership and governance at BWY and the highlighting of historical poor practices including inconsistent application of the governing documents, policies and procedures. As a result of this the NEC (which due to resignations and vacancies consisted of only three trustees) raised these matters to the Charity Commission in a Serious Incident Report in October 2021.

The NEC will continue to provide updates to the Charity Commission, on the steps taken to improve and strengthen BWY's governance framework and additional measures to mitigate the risk of such matters arising again in the future.

In addition, the NEC, in conjunction with the CEO, will pursue an agenda of providing equitable, inclusive, and diverse offerings of high-quality yoga events and training throughout the UK. A restructure of our communications department will provide greater efficiency and improvements to our communications and marketing capability. Along with this, a new and effective website will be launched over the coming 12 months and work on this has already commenced.

Whilst providing training and educational services in yoga and charitable activities for the benefit of our communities, in service to our teaching members, BWY will promote our organisation as one of the highest quality providers in yoga and a recognised leader in our field.

Lastly, the trustees wish to place on record their sincere appreciation and gratitude to all volunteers (past and present) for their dedication and enthusiasm.

OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

The Charity's Objects as detailed by its Memorandum of Association are:

To advance the education of the public in yoga and for that purpose:

- To encourage and help members of the public to have a greater knowledge and understanding of all aspects of yoga and its practice by provision of study, education and training
- To maintain and improve the standard of teaching of yoga by organising teacher training, education and other courses in all aspects of yoga
- To promote research into the methods and effects of all forms of yoga with a view to understanding them more fully and increasing their efficiency; and
- To fulfil its role and obligations as the governing body for yoga

All BWY's charitable activities focus on developing open accessible routes for everyone wishing to participate in the practice of yoga and are undertaken to further our charitable objectives for the public's benefit.

Where relevant, the NEC have complied with due regard to the Charities Commission public guidance when exercising their power and duties.

During the reporting period the strategy, while not formally documented, focused on providing education and training, whilst working within Covid19 restrictions, this included facilitating the transfer of in-person training and events to an online space, along with fulfilling obligations as a national governing body by providing guidance and support for members and the public on best practice. BWY introduced special provisions for remote learning and teaching, revising insurance provisions and all relevant procedures to reflect this, and adopting this on a permanent basis for BWY's teaching and learning offerings and quality assurance procedures.

During the same period, the NEC reviewed the governing documents and believed they were no longer fit for purpose. They proposed a new set of articles for adoption to be voted on at the April 2021 AGM. However, this AGM was subsequently postponed and the draft articles were not adopted. Additionally, the NEC started to explore a new website.

The strategy is evidenced through the development and delivery of both class-based courses and distance learning via remote learning platforms. Through this BWY provided personal development courses and teacher training which included teacher training for 76 members, 25 modules and 175 CPD events.

The work of the Ofqual recognised awarding organisation, The British Wheel of Yoga Qualifications (referred to throughout as 'BWYQ'), the BWY's only subsidiary, provides a route for the teacher-training and Gentle Years Yoga qualifications to be on the government's Register of Regulated Qualifications.

BWY's membership is split into 12 regions. Each UK region is supported by a regional committee which nationally and regionally promotes yoga courses, classes, workshops, and events for our members and to the public. There was a total of 118 regional events held during the year and these activities returned an income of £87k with a net surplus of £20k

BWY produces a quarterly magazine, "Spectrum" and a monthly email newsletter "On the Pulse" both of which are sent to all members. In addition, each UK region produces a regional newsletter. BWY have a national website with regional sections through which regional courses can be booked and a digital media network covering BWY nationally and regionally. BWY's website provides information on the organisation, training opportunities, regional events and how to apply for membership. The membership section of the website provides further resources for BWY's members.

BWY participated in educational projects outside its normal activities to further the knowledge, practice and public benefit of yoga. This included the Gentle Years Yoga trials.

BWY is recognised by the Sport and Recreation Alliance, Sport England and Sport Wales as the national governing body for yoga. BWY fulfilled its responsibilities as an NGB, by recognising and accrediting other yoga teacher training organisations and teachers qualified via non BWY teacher training routes; providing guidance and support throughout the pandemic to members and the public; facilitating the International Sportsperson Route and attending a House of Lords Select Committee.

During the reported year over 150 volunteers recorded an estimate of over 20,000 hours of work on behalf of the Charity. Much of this voluntary work takes place through the BWY committees (NEC, BWYT, Regional Officers Committee and Regional Committees). However, our volunteers also support us in many other ways and provide the lifeblood for the organisation.

ACHIEVEMENTS AND PERFORMANCE

As detailed within the 'Objects, Activities and Public Benefits' section of this report achievements during this period included providing detailed and comprehensive guidance and support for members and the public to enable them to continue teaching, learning and taking part in yoga under Covid19 restrictions. This included online training, online guidance, direct support to members, live online sessions and online regional events.

This period was an uncertain period for BWY, due to failings in governance and leadership. To address these issues a Compliance Manager was appointed in April 2021 and in June 2021 an end-to-end governance review was published for the NEC. This report identified that the situation within BWY had been caused by an accumulation of many years of ineffective leadership and a lack of proper governance and set out several key areas for the trustees to consider. These included the urgent need to hold a properly convened AGM; to elect and appoint a full board of trustees; to review the onboarding of trustees; to appoint a CEO and implement a line management structure; to produce appropriate HR policies; to review the BWY strategy and objectives; to review trustee roles, employee roles and the volunteer structure.

The trustees acknowledged these recommendations and as a result recruited and appointed an interim CEO on 27th October 2021.

Additionally, these matters and proposed resolutions were reported to the Charity Commission in October 21.

FINANCIAL REVIEW

Income

Income is primarily from membership subscriptions (included under the heading 'Donations and Legacies') and revenue from events and training. The Consolidated Statement of Financial Activities shows that there was a total deficit for the year ended 31st October 2021 of £59,857. The deficit for General Funds was £80,485 during the financial year and the designated funds showed an increase of £20,628. Designated funds represent those controlled by the 12 regions. There were no restricted funds.

Costs

During the financial year, costs increased by 29%. Contributing to this was an increase in staffing costs of 64%, marketing and publicity of 67% and legal fees of 169%.

Financial Position at Year End

Membership revenue for the year was down to £450k which was a fall of 8% on the previous year. Membership numbers have been in decline for several years and the pandemic increased this trend along with member concerns about poor governance and leadership. As of October 31, 2021 membership was 5,903.

Whilst BWY had a deficit of £59,847 for the reporting period it remains a going concern.

Reserves

The level of reserves for the Group was reduced to £1,376,071 as of October 31st 2021 from £1,435,928 at the end of the previous year's period. The difference in reserves is the deficit incurred of £59,857. All designated funds represented those controlled by the 12 regions. There were no restricted funds.

BWY keeps what it believes is sufficient funds, in deposits with reputable bank accounts and at short notice to meet short and medium-term losses, financial setbacks, and known projects.

Apart from that invested in M&G Equities Investment Fund any remaining reserves are invested in low-risk deposits, to ensure the maximum rate of interest, whilst, as far as practical, still being covered by the FSCS guarantee.

Risk

Risks during this period were: damage to BWY reputation; reduction in membership; failure to hold a properly convened AGM within the required period; operating with an incomplete board of trustees; dissatisfaction and low morale among employed staff; a lack of a clear strategy and objectives; lack of guidance and support for volunteers; failure to meet legislative requirements.

The losses incurred in the year up to 31st October 2021 pose a threat to an organisation whose income is based primarily on subscriptions (membership) and event revenue. Although there was a decline in membership numbers of 5% in the 12 months of 2021, this was an improvement on the reduction in membership numbers of 10% in the previous year. Additionally, overall costs increased by 29% comprised primarily of an increase in staffing costs of 64%, marketing and publicity of 67% and legal fees of 169%.

The following section 'Plans for the Future' outlines the strategy to manage these risks.

PLANS FOR THE FUTURE

Having inherited the financial situation, it is the responsibility of the current NEC to learn from past actions and bring stability to BWY. Working with the new CEO, the following changes are being made to the organisation to this effect:

- Hire the interim CEO on a substantive basis
- Change BWY's legal representation from JMW Solicitors to Tozers Solicitors
- Review Central Office expenses with the intention of reducing costs
- Establish stability and transparency by maintaining a key focus on improving and strengthening the governance framework, including an end-to-end review of all policies. BWY will work with the Charity Commission where appropriate
- Review the process for onboarding trustees
- Re-establish a proper network of volunteers on a regional basis
- Work closely with our Accredited Training Organisations to maintain the reputation of the teacher training program
- Re-organise the Communications and Marketing team for greater effectiveness and outreach
- Establish a Diversity and Inclusivity sub-committee to ensure all those interested in taking part in yoga can access and be included in classes and events, and that the BWY properly reflects the UK community it seeks to represent
- Establish a Safeguarding Working Group to support with developing and strengthening current practices
- Create a long-term strategy so that short-term efforts will always work in harmony with the long-term goals of the organisation
- Bring the core codes of the yamas and niyamas back to the centre of the workings of the British Wheel of Yoga

It is the intention of the NEC that these changes stem the tide of declining membership, stabilise revenue, improve the efficiency of the organisation, lower costs and create financial stability for the organisation to move forward. We believe these efforts will take roughly one to two years to implement fully.

STRUCTURE, GOVERNANCE AND MANAGEMENT

BWY is an organisation devoted to the study and practice of yoga in the UK. BWY is organised as a company limited by guarantee and also a charity. BWY is governed by its Memorandum and Articles of Association dated 25th September 2009 and amended by special resolutions on 6th September 2014

As of 31st October 2021 there were 6,130 members.

The Board of Trustees (The National Executive Committee or 'NEC')

The NEC consists of 8 directors/trustees. The NEC is responsible for all decisions made by BWY. The trustee positions are Chair, Vice Chair, Treasurer, BWY Training Committee Chair, BWY Training Committee Vice Chair and three Regional Officers. The trustees are appointed in line with articles 24 – 28 of the Articles of Association, with exception of the Regional Officer directors, who are appointed in line with article 39 1 3. Trustees retire in line with articles 24A of the Articles of Association or 39 1 3 for Regional Officer directors.

During the reporting period there was no AGM held. There were two reasons for this. Firstly, the pandemic and the challenges which that presented; secondly, the failings in governance and leadership (mentioned earlier in this report) which meant that AGM's from 2017 onwards had potentially not been called in line with the charity's governing documents, specifically proxy voting was excluded from the process. This resulted in the planned AGM (April 2021) being postponed.

As a result of both matters the trustees in post at the start of the reporting period had not been appointed in line with the Memorandum and Articles of Association and those who were due to retire at the AGM did not retire in line with article 24A. Any trustees appointed during the reporting period, were appointed in line with 27 1 and resigned in line with article 29 5. During this time all trustees believed they had been appointed correctly and acted as such.

This matter was reported to the Charity Commission in Oct 2021.

For trustee induction, whilst there were some policies and procedures in place there was not a complete suite and the application of those policies/procedures and training requirements was not applied consistently.

The Regional Officers Committee (ROC)

The membership is split into 12 geographical locations (regions). Each region has a regional committee. The regions elect a regional officer to chair their respective committee. The elected regional officer sits on the ROC. The regional officers are elected and appointed in line with article 39 1 2 of the Memorandum and Articles of Association. The ROC consider corporate operational matters and regional issues. Any findings/decisions made by the ROC must be reported to the NEC for ratification.

The ROC selects 3 of these members to act as the Regional Officer trustees, making up 3 of the 8 trustees.

Each region has its own organisational structure to be able to reflect the diversity of the UK demographic. The regions are sub-divided into area/county representatives. Other members on the regional committees fill specific posts which vary according to the needs of the region.

The BWY Training Committee (T-comm)

The committee is responsible for the development and updating of courses, teacher training and related educational matters. Their decisions are subject to ratification by the Directors and can be overruled by the Directors.

Members of the BWY Training Committee are elected and appointed in line with articles 39 2 2 – 39 2 5 of the Memorandum and Articles of Association.

Employed staff

BWY has a team of staff numbering approximately 12 employees on mainly part time contracts. During the reporting period there was no appropriate line management structure in place and employed staff were being managed by trustees who were not assessed on any level of management experience. Reporting lines were often changed, creating an inconsistent approach. Several trustees resigned during this period, leaving employed staff without an appropriate manager. Additionally, several staff also resigned, including key members of staff such as the Financial Controller, Safeguarding Manager and the Marketing Manager.

The trustees recognised the need for stability and improvements in governance and internal structure and this was addressed by employing an interim CEO who was appointed on 27th October 2021.

The Trustees considered the roles and responsibilities of all employed roles (including key management roles) and, with advice and guidance from the outsourced HR department, employed staff were remunerated in line with similar entities, at market value.

Subsidiaries:

The British Wheel of Yoga Qualifications Limited

Company registration number: 07371206

Charity registration number: 1140717

BWYQ is governed by Articles of Association adopted by a special resolution of the Member on 22nd July 2019. BWY is the sole member. BWYQ is recognised by Ofqual as an Awarding Body. The BWY takes advantage of this to have its Certificate and Diploma teacher training courses recognised as BWYQ courses and therefore included on the Register of Regulated Qualifications maintained by the UK government. BWYQ has no other centres outside BWY.

Organisation and management

There were failings in governance and the leadership decision making processes within the organisation were unclear, delegated authorities were not recorded correctly and there was no appropriate line management structure in place. This affected both employed staff and volunteers.

REFERENCE AND ADMINISTRATIVE DETAILS

The Charity is known as The British Wheel of Yoga Limited or BWY and no other name.

Registration numbers

Company registration number: 0703679 (England and Wales)

Charity registration number: 1136674

Registered and principal office

25 Jermyn Street
Sleaford
Lincolnshire
NG34 7RU

Trustees on the date this report was approved NEC meeting 24th July 2022:

Diana O'Reilly	Chair	Appointed 10/02/2022
Michele Misgala	Vice-Chair	Appointed 10/02/2022
Audrey Blow	Chair BWYT	Appointed 10/02/2022
Clare Gibson	Vice-Chair BWYT	Appointed 10/02/2022
Tracy Harris	Treasurer	Appointed 10/02/2022
Lucy Croucher	ROC Representative	Appointed 17/02/2022
Keith Hart	ROC Representative	Appointed 17/02/2022
Janet Long	ROC Representative	Appointed 17/02/2022

Trustees who served during the reporting period 1st November 20 – 31st October 2021:

Audrey Diane Blow	Appointed 06/04/20	Resigned 04/12/20
Dawn Wesselby	Appointed 01/06/19	Resigned 07/12/20
Maria Jayne Ellerbeck	Appointed 06/04/20	Resigned 10/12/20
Wendy Haring	Appointed 02/04/19	Resigned 01/07/21
Michele Jean Misgala	Appointed 06/04/20	Resigned 01/07/21
Karen Thursby	Appointed 16/07/21	Resigned 05/08/21
Philippa Bavington	Appointed 16/07/21	Resigned 05/08/21
Gillian Megan Osbourne-Bates	Appointed 07/08/18	In post at end of reporting period
Katja Patel	Appointed 01/02/21	In post at end of reporting period
Carol Price	Appointed 22/09/20	In post at end of reporting period

REFERENCE AND ADMINISTRATIVE DETAILS

AUDITORS

Wright Vigar Limited
Northgate House
Sleaford, Lincolnshire
NG34 7BZ

BANKERS (Primary accounts)

HSBC, High Street, Reigate, Surrey, RH2 9BB

Bank of Scotland, West End Office, 14/16 Cockspur Street, St James's Gate, London, SW1Y 5BL

SOLICITORS (During the financial year reported)

JMW Solicitors LLP, 1 Byrom Place, Manchester. M3 3HG

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also directors of The British Wheel of Yoga Limited for the purposes of company law) are responsible for preparing the Trustees' 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 the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements 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 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 Company 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.

In so far as the trustees are aware:

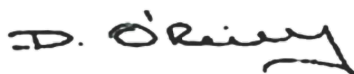
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

STATEMENT OF PROVISION OF DETAILS TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD



Diana O'Reilly – BWY Chair

Date: 24/07/22

Report of the Independent Auditors to the Members of
British Wheel of Yoga Limited

Opinion

We have audited the financial statements of British Wheel of Yoga Limited (the 'charitable company') for the year ended 31 October 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2021 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of
British Wheel of Yoga Limited

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
-

Assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
British Wheel of Yoga Limited

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

J P Sewell BA (Hons) MBA FCA CTA CMgr FCMI (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

24 July 2022

THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)

Registered Company Number 07030679
Registered Charity Number 1136674

Consolidated Statement of Financial Activities (including summary income and expenditure account) for the year ended 31 October 2021

	Notes	General Funds £	Designated Funds £	Total 2021 £	Total 2020 £
Income and endowments from					
<u>Donations and legacies</u>	2	450,824	1,648	452,472	503,272
<u>Charitable activities</u>	3	126,165	85,837	212,002	205,168
<u>Other trading activities</u>	4	1,214	-	1,214	3,240
<u>Investments</u>	5	12,191	26	12,216	7,093
Total incoming resources		<u>590,394</u>	<u>87,511</u>	<u>677,905</u>	<u>718,773</u>
Expenditure on:					
<u>Raising funds</u>	6	-	16	16	-
<u>Charitable activities:</u>	7&8	691,430	66,868	758,298	589,135
Total resources expended		<u>691,430</u>	<u>66,883</u>	<u>758,314</u>	<u>589,135</u>
Gains/(losses) on investments assets		<u>20,552</u>	<u>-</u>	<u>20,552</u>	<u>(20,830)</u>
Net outgoing resources before transfers		(80,485)	20,627	(59,857)	108,808
Transfers to regions		-	-	-	-
Net incoming/(outgoing) resources		<u>(80,485)</u>	<u>20,627</u>	<u>(59,857)</u>	<u>108,808</u>
Reconciliation of funds					
Fund balances brought forward at 1 November 2020		1,153,526	282,402	1,435,928	1,327,120
Fund balances carried forward at 31 October 2021		<u>1,073,041</u>	<u>303,029</u>	<u>1,376,071</u>	<u>1,435,928</u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Note 19 gives details of changes in resources applied for fixed assets for the charity use.

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

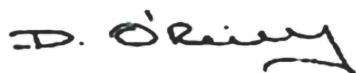
**Registered Company Number 07030679
Registered Charity Number 1136674**

Consolidated and Charity Balance Sheets as at 31 October 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	12	74,062	78,618	74,062	78,618
Investments	13	86,291	65,224	86,291	65,224
		<u>160,353</u>	<u>143,842</u>	<u>160,353</u>	<u>143,842</u>
Current assets					
Stocks	14	276	747	147	147
Debtors	15	18,012	4,731	12,862	25
Cash at bank and in hand		1,313,299	1,472,733	1,303,303	1,472,589
		<u>1,331,587</u>	<u>1,478,211</u>	<u>1,316,312</u>	<u>1,472,761</u>
Creditors : amounts falling due within one year	16	<u>115,869</u>	<u>186,125</u>	<u>118,173</u>	<u>194,555</u>
Net current assets		<u>1,215,718</u>	<u>1,292,086</u>	<u>1,198,139</u>	<u>1,278,206</u>
Net assets		<u>1,376,071</u>	<u>1,435,928</u>	<u>1,358,492</u>	<u>1,422,048</u>
Funds:					
Designated funds		303,029	282,402	303,029	282,402
General funds		<u>1,073,041</u>	<u>1,153,526</u>	<u>1,055,463</u>	<u>1,139,646</u>
Total funds	19	<u>1,376,071</u>	<u>1,435,928</u>	<u>1,358,492</u>	<u>1,422,048</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements on pages 12 - 23 were approved by the trustees on 24 July 2022 and signed on behalf by:



Diana O'Reilly - BWY Chair

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

**Registered Company Number 07030679
Registered Charity Number 1136674**

Consolidated statement of cashflows as at 31 October 2021

	2021	2020
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities	(89,468)	90,916
<u>Cash flows from investing activities:</u>		
Interest income and rents from investments	12,484	7,093
Proceeds from the sale of property, plant and equipment	-	(10,000)
Purchase of property, plant and equipment	(3,549)	(2,203)
Net cash provided by (used in) investing activities	<u>8,935</u>	<u>(5,110)</u>
 Change in cash and cash equivalents in the reporting period	 (159,434)	 85,806
Cash and cash equivalents at the beginning of the reporting period	<u>1,472,733</u>	<u>1,386,927</u>
<i>Cash and cash equivalents at the end of the reporting period</i>	<u><u>1,313,299</u></u>	<u><u>1,472,733</u></u>
 Net income/(expenditure) for the reporting period (as per SOFA)	 (59,857)	 108,808
 Adjusted for:		
Changes in reserves		
Depreciation	7,527	8,207
(Gains)/losses on investments	(21,067)	20,830
Interest income and rents from investments	(9,364)	(7,093)
(Increase)/decrease in stocks	747	928
(Increase)/decrease in debtors	(5,150)	40,289
Increase/(decrease) in creditors	(2,304)	(81,053)
	<u>(89,468)</u>	<u>90,916</u>
Total cash and cash equivalents	<u><u>1,313,299</u></u>	<u><u>1,472,733</u></u>

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

Registered Company Number 07030679

Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

1 Accounting policies

(a) Basis of preparation

The financial statements of the charitable company have been prepared in accordance with the 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements consolidate the results of the charity and its subsidiary undertakings, the British Wheel of Yoga Limited and the British Wheel of Yoga Qualifications Limited on a line by line basis. A separate Statement of Financial Activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption offered by section 408 of the Companies Act 2006.

(b) Company status

The charity is a company limited by guarantee and registered with Companies House in England and Wales. The members of the company are the trustees named on page 6. 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.

(c) Incoming resources

Items of income are recognised in the accounts when all criteria are met. The charity has entitlement to the funds, any performance conditions attached to the item of income have been met or are fully within control of the charity, there is sufficient certainty that the income is considered probable and the amount can be reliably measured.

Donations and gifts

All monetary donations and gifts are included in full when receivable, provided that there are no donor imposed restrictions as to the timing of the related expenditure. If restrictions are imposed, the recognition of income is deferred until the pre-conditions have been met.

Donations in kind by virtue of voluntary help are not included as income. Donations are volunteers time which cannot be quantified with ease and therefore do not meet the recognition criteria.

Subscriptions

Subscriptions are credited in the period to which they relate. Any subscriptions received in advance are deferred.

Legacies

Legacies are accounted at the earlier of the date on which the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made or when a distribution is received from the estate.

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

Registered Company Number 07030679

Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

Incoming resources continued

Grants receivable

Revenue grants are included in full when receivable, provided that there are no imposed restrictions as to the timing of the related expenditure. If restrictions are imposed, the recognition of income is deferred until the pre-conditions have been met.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

(d) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment as a result of a past event 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 following headings:

Costs of generating funds - costs associated with generating income from all sources other than from undertaking charitable activities.

Charitable activities - direct costs relating to delivering charitable activities.

Support costs - costs relating to the management and administration of the charity incurred to enable the charity to deliver its charitable activities.

Governance costs - costs associated with the governance arrangements of the charity. These costs are included within support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Grants are accrued in full where the offer is unconditional, once the recipient and charity have entered into the agreement. Conditional or performance related grants are recognised once the conditions or the required performance have been fulfilled.

(e) Fund accounting

The charity maintains the following unrestricted income funds:

Designated funds - designated funds represent amounts under the control of regional bodies.

General funds - general funds represent income which is expendable at the discretion of the Trustees, in furtherance of the objects of the charity.

(f) Investments

Investments are valued at market value at the balance sheet date. This gives rise to unrealised gains or losses which are included in the Statement of Financial Activities. Realised gains and losses arising on the disposal of investments are separately identified in the notes to the accounts

THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)

Registered Company Number 07030679

Registered Charity Number 1136674

Notes forming part of the financial statements
for the year ended 31 October 2021

(g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Tangible fixed assets are capitalised where the cost is in excess of £250. Depreciation is provided on all tangible assets at rates calculated to write off their costs less any residual value over their expected useful lives at the following rates:

Freehold buildings (excluding land) -	- 50 years straight line
Computer equipment	- 3 years straight line
Office equipment	- 5 years straight line

(h) Stock

Stocks are valued at the lower of cost and net realisable value.

(i) Taxation

As a registered charity the organisation is not liable to taxation on its income. Taxation refunded on donations under Gift Aid is included in income when receivable. Irrecoverable VAT is allocated to support costs.

(j) Regions

Regional income, expenditure and assets have been included in the accounts under designated funds.

(k) Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charge to the Statement of Financial Activities in the period to which they relate.

2	Donations and legacies	General funds	Designated funds	Total 2021	Total 2020
		£	£	£	£
	Grants and donations received	440	1,648	2,088	12,529
	Subscriptions	450,385	-	450,385	490,743
		<u>450,824</u>	<u>1,648</u>	<u>452,472</u>	<u>503,272</u>
3	Incoming resources from Charitable Activities	General funds	Designated funds	Total 2021	Total 2020
		£	£	£	£
	Registration and accreditation fees receivable	118,112	-	118,112	103,502
	Income from events - national	4,632	3,394	8,026	985
	Income from events - regions	-	76,180	76,180	89,499
	Income from magazines	3,236	2,521	5,757	5,849
	Other income	185	3,742	3,927	5,333
		<u>126,165</u>	<u>85,837</u>	<u>212,002</u>	<u>205,168</u>
4	Other trading activities	General funds	Designated funds	Total 2021	Total 2020
		£	£	£	£
	Income from yoga products	<u>1,214</u>	<u>-</u>	<u>1,214</u>	<u>3,240</u>

THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)

Registered Company Number 07030679
Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

5	Investments	General funds £	Designated funds £	Total 2021 £	Total 2020 £
	Distributions from unit and investment trusts	2,853	-	2,853	3,841
	Interest from bank and other deposits	9,338	26	9,364	3,252
		<u>12,191</u>	<u>26</u>	<u>12,216</u>	<u>7,093</u>
6	Raising funds	General funds £	Designated funds £	Total 2021 £	Total 2020 £
	<i>Fundraising trading</i>				
	Cost of yoga equipment for resale	-	16	16	-
		<u>-</u>	<u>16</u>	<u>16</u>	<u>-</u>
7	Charitable activities	General funds £	Designated funds £	Total 2021 £	Total 2020 £
	Grants and donations paid	50	500	550	2,126
	Magazine costs	54,623	-	54,623	75,617
	Training and activities	56,991	54,188	111,180	116,272
	Education committee costs	28,989	-	28,989	30,078
	Members and teachers insurance	22,499	-	22,499	20,289
	Support costs (note 8)	528,278	12,179	540,457	344,753
		<u>691,430</u>	<u>66,868</u>	<u>758,298</u>	<u>589,135</u>
7a	Grants and donations			2021 £	2020 £
	Grants paid to institutions			550	-
	Grants paid to individuals			-	2,126
				<u>550</u>	<u>2,126</u>

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

Registered Company Number 07030679

Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

8 Support costs

	General funds £	Designated funds £	Total 2021 £	Total 2020 £
Central office costs	365,454	-	365,454	243,579
Regional office expenses	-	1,419	1,419	1,321
Marketing and publicity	55,956	-	55,956	33,474
Bank charges	5,722	270	5,992	4,575
Legal and professional	84,919	-	84,919	31,544
Depreciation	7,527	-	7,527	8,207
Auditors' remuneration	6,343	1,261	7,604	9,215
Trustee and committee expenses	2,356	9,229	11,585	12,838
	<u>528,278</u>	<u>12,179</u>	<u>540,457</u>	<u>344,753</u>

9 Trustees' expenses

During the year four trustees were reimbursed expenses for travel, meals and accommodation, communications, verification fees and home workers allowances totalling £12,965 (2020 : £5,182).

Trustees' remuneration

No remuneration or other benefits were paid to the trustees for the year ended 31 October 2021 (2020 : Nil)

10 Net income/expenditure

	2021 £	2020 £
Auditors' remuneration (including expenses and benefits in kind)	7,290	6,875
Non audit services	3,448	2,340
Depreciation	7,527	8,207

11 Staff costs

	2021 £	2020 £
Salaries	265,885	160,602
Social security costs	12,446	11,652
Pension costs	9,686	2,734
	<u>288,016</u>	<u>174,988</u>

Key management remuneration for the year totalled £Nil (2020: £Nil)

The average number of employees, analysed by function was:

	2021	2020
Magazine	4	1
Education and training	2	4
Support and administration	9	4
	<u>15</u>	<u>9</u>

Employees earning £60,000 or more per annum

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>-</u>

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

**Registered Company Number 07030679
Registered Charity Number 1136674**

**Notes forming part of the financial statements
for the year ended 31 October 2021**

12 Tangible fixed assets - Charity

	Freehold land and buildings £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 November 2020	83,733	19,941	23,173	126,847
Additions	-	2,971	-	2,971
Disposals	-	-	-	-
At 31 October 2021	83,733	22,912	23,173	129,818
Depreciation				
At 1 November 2020	19,558	9,188	19,483	48,229
Charge for year	1,675	4,317	1,535	7,527
On disposals	-	-	-	-
At 31 October 2021	21,233	13,505	21,018	55,756
Net book value at 31 October 2021	62,500	9,407	2,155	74,062
At 31 October 2020	64,175	10,753	3,690	78,618

Tangible fixed assets - Group

	Freehold land and buildings £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 November 2020	83,733	19,941	23,173	126,847
Additions	-	2,971	-	2,971
Disposals	-	-	-	-
At 31 October 2021	83,733	22,912	23,173	129,818
Depreciation				
At 1 November 2020	19,558	9,188	19,483	48,229
Charge for year	1,675	4,317	1,535	7,527
On disposals	-	-	-	-
At 31 October 2021	21,233	13,505	21,018	55,756
Net book value at 31 October 2021	104,966	36,417	44,191	74,062
At 31 October 2020	64,175	10,753	3,690	78,618

**THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)**

**Registered Company Number 07030679
Registered Charity Number 1136674**

**Notes forming part of the financial statements
for the year ended 31 October 2021**

13 Fixed asset investments - group and charity

	2021	2020
	£	£
Market value at beginning of year	65,224	76,054
Disposal proceeds	-	-
Net unrealised investment gains/(losses)	21,067	(20,830)
Realised investment losses	-	10,000
Market value at year end	<u>86,291</u>	<u>65,224</u>
The investment comprise:		
M & G Equities Investment Fund for charities (Charifund)	<u>86,291</u>	<u>65,224</u>
Historic cost at end of year	<u>31,000</u>	<u>31,000</u>

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
14 Stocks				
Regional supplies	<u>276</u>	<u>747</u>	<u>147</u>	<u>147</u>

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
15 Debtors				
Trade debtors	-	-	-	-
Other debtors	11,006	941	6,106	25
Prepayments and accrued income	7,006	3,790	6,756	-
	<u>18,012</u>	<u>4,731</u>	<u>12,862</u>	<u>25</u>

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
16 Creditors : amounts falling due within one year				
Trade creditors	4,276	8,443	4,276	8,443
Other taxes and social security	4,444	3,084	5,062	3,084
Other creditors	11,341	17,439	13,123	26,567
Accruals and deferred income	95,808	157,159	95,712	156,461
	<u>115,869</u>	<u>186,125</u>	<u>118,173</u>	<u>194,555</u>

THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)

Registered Company Number 07030679
Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

17 Deferred income - group and charity

	Congress £	Subscriptions £	Total 2021 £
At 1 November 2020	-	115,171	115,171
Amount released to incoming resources	-	(407,515)	(407,515)
Amount deferred in the year	-	367,596	367,596
At 31 October 2021	<u>-</u>	<u>75,253</u>	<u>75,253</u>

18 Movement in unrestricted reserves

	At 1 November 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Investment gains £	At 31 October 2021 £
Designated funds						
Regional funds	282,402	87,511	(66,883)	-	-	303,029
	282,402	87,511	(66,883)	-	-	303,029
Undesignated funds						
General funds	1,153,526	590,394	(691,430)	-	20,552	1,073,041
	<u>1,435,928</u>	<u>677,905</u>	<u>(758,314)</u>	<u>-</u>	<u>20,552</u>	<u>1,376,071</u>

Designated funds represent the amounts under the control of the 12 regional bodies.

19 Analysis of net assets between funds

The net assets are held for various funds as follows:

	Tangible fixed assets £	Investments £	Net current assets £	Total £
Designated funds	-	-	17,579	17,579
General funds	74,062	86,291	1,198,139	1,358,492
Total	<u>74,062</u>	<u>86,291</u>	<u>1,215,718</u>	<u>1,376,071</u>

20 Pension costs

The charity operates a defined contribution scheme and contributions are charged to the statement of financial activities as they accrued. The charge for the year was £6,529 (2020: £2,734)

THE BRITISH WHEEL OF YOGA LIMITED
(LIMITED BY GUARANTEE)
Registered Company Number 07030679
Registered Charity Number 1136674

**Notes forming part of the financial statements
for the year ended 31 October 2021**

22 Related party transactions

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard FRS102 'The Financial Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within in the group.

4 Trustees, registered claims for course tutoring or assessment with BWY or BWYQ in the year (2020: 3 trustees).

Of these claims G Osborne -Bates (Chair) also provided services to the charity totalling £6,484 (2020: Nil) for social media administration, services to the charity in relation to compliance advice, professional drafting services and location hire.

23 The British Wheel of Yoga Qualifications

The British Wheel of Yoga Limited controls the British Wheel of Yoga Qualifications, a charity and company limited by guarantee incorporated in the United Kingdom, by virtue of being the sole member of the charitable company.

A summary of the financial activities for the period and of the assets of The British Wheel of Yoga Qualifications is as follows:

	2021	2020
	£	£
INCOME AND ENDOWMENTS FROM		
Donations		10,500
Charitable activities		-
Training and activities	22,185	17,600
Other	-	341,318
Total	<u>22,185</u>	<u>369,418</u>
EXPENDITURE ON		
Charitable activities		
Training and activities	18,487	18,944
Other		341,318
Total	<u>18,487</u>	<u>360,262</u>
NET INCOME/(EXPENDITURE)	<u>3,698</u>	<u>9,156</u>
RECONCILIATION OF FUNDS		
Total fund brought forward	13,881	4,725
TOTAL FUNDS CARRIED FORWARD	<u>17,579</u>	<u>13,881</u>
 CURRENT ASSETS		
Stocks	129	600
Debtors	7,550	14,556
Cash at bank	9,996	144
	<u>17,675</u>	<u>15,300</u>
CREDITORS		
Amounts falling due in one year	96	1,419
NET CURRENT ASSETS/LIABILITIES	<u>17,579</u>	<u>13,881</u>
FUNDS		
Unrestricted Funds	17,579	13,881
TOTAL FUNDS	<u>17,579</u>	<u>13,881</u>

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