

Western Chan Fellowship CIO
Unaudited Financial Statements
31 December 2020

THOMAS WESTCOTT

Chartered accountants

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Western Chan Fellowship CIO

Financial Statements

Year ended 31 December 2020

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Western Chan Fellowship CIO

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Western Chan Fellowship CIO
Charity registration number	1166162
Principal office	46 Wood Park Ivybridge Devon PL21 0PP
The trustees	Simon Child Alysun Jones David Valentine-Hagart Fiona Nuttall Jeremy Woodward Juliet Hackney Sara Elloway Clare Dobie Guy Roberts (Appointed 5 September 2020)
Company secretary	Jeremy Woodward
Independent examiner	Thomas Westcott Chartered Accountants Keith Clay FCA Plym House 3 Longbridge Road Marsh Mills Plymouth PL6 8LT

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Introduction

Western Chan Fellowship CIO ("the CIO") is the successor charity to Western Chan Fellowship (WCF – no. 1068637) which was dissolved in March 2018 following the transfer of its assets to the CIO on 30th June 2017.

WCF arose out of over 20 years of retreats run by John Crook at Maenllwyd, his farmhouse in Mid-Wales. It was formed, at his prompting, in 1997 and registered as a charity in 1998 with John Crook as its first formal Teacher. Thereafter WCF took over the running of such retreats and in its latter years also widened its remit by running them at other venues throughout the UK.

Just before his sudden death in 2011, John Crook handed over control of Maenllwyd to his children who at the same time entered into a formal agreement with WCF to regulate the shared use of Maenllwyd by both the Crook family and WCF.

At that time WCF had started an updating of its constitution. It became clear that part of this process could usefully include incorporation of WCF using the relatively new vehicle of a Charitable Incorporated Organisation with voting members other than its trustees.

After much preparation and hard work, the CIO was formed and registered with the Charity Commission (no. 1166162) in 2016 and, after due preparation and process, took over the running of the WCF's business on 30th June 2017. There was a seamless transfer of assets at that time so that there was no break experienced by its retreatants or members who, in late 2017, were offered, and almost all accepted, a free transfer of membership from WCF to the CIO. 2020 is the third full year of trading for the CIO.

Governing document

Western Chan Fellowship CIO is a Charitable Incorporated Organisation and was registered as such with the Charity Commission on 22nd March 2016. The CIO was established under a constitution based largely on the Standard Constitution for a "Charitable Incorporated Organisation with voting members other than its trustees" drafted by the Charity Commission which establishes the objects, powers and governance of the CIO. Some of the amendments and additions made relate to the Appointment, Removal and Responsibilities of a Guiding Teacher.

Recruitment and appointment of new trustees

All trustees give their time as trustees voluntarily, and, save as noted in the accounts, receive no benefits from the charity. Expenses are reclaimed by some, and this is also noted in the accounts.

Because it is important for trustees of the CIO to have an understanding of and sympathy with the work of the charity, all trustees are required, by its constitution, to be members of the CIO. Potential trustees therefore also have to be members of the CIO which in turn requires them to have attended at least three retreats run by the CIO and, once a member, continue attending such retreats and practising Buddhism. Often trustees will, before taking on the role, have attended many more than three retreats with the CIO and its predecessor charity, WCF. Attendance on retreats over a number of years is an effective introduction to the work of the charity.

Although there is no formal induction process, all new trustees are given previous Trustee Meeting minutes and encouraged to seek early clarification from existing trustees of any issues they are not sure about. As the trustees run a consensus approach to decision making, new trustees can be gradually introduced to the matters addressed and dealt with by the trustees.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Organisational structure and decision making

The CIO can, under its constitution, have up to 10 trustees. At the beginning of 2020 there were 8 trustees which number was increased to 9 when Guy Roberts was co-opted as a trustee on 5th September 2020. The trustees met five times in 2020 to manage the charity.

There is an ongoing trial of Microsoft Teams to help with co-ordination of decision making. In the context of the global pandemic arising from Coronavirus Sars-CoV-2 pandemic ("COVID-19"), this enabled four meetings in 2020 to be held remotely using this software.

In addition to the charity's Commercial Employers and Public Liability Insurance, there was, as in previous years, a qualifying Third-Party Indemnity Policy in place for the trustees throughout the year.

A Practice Committee, consisting of the retreat leaders who regularly lead retreats for the charity and have a particular experience in supporting the charity's objectives, are consulted on matters of practice, and organise and lead the retreat programme of the charity.

These teachers are unpaid but may receive donations from people who attend the charity's retreats.

Day to day responsibility for operations is carried out by the officers who are elected from amongst the trustees or, in the case of the Guiding Teacher, serves as an ex-officio trustee. This work is also carried out voluntarily.

Wider network

The charity has links with a wide network of Buddhist and meditation organisations throughout the UK. Via its website, the charity also facilitates networking between its meditation groups throughout the UK.

It is a member of both the Network of Buddhist Organisations (NBO) and the European Buddhist Union. It takes an active part on both these organisations. Indeed, one of the charity's trustees was appointed chair of the NBO in 2018 and continues in that role.

The charity operates within the wider Chan tradition and maintains links with other similar organisations in Europe, the USA and Taiwan.

Related parties

Any related party interests are declared by trustees. In 2020 a specific related interest continued from 2019. It was declared in 2019 and is ongoing.

In 2018 Simon Child, a CIO trustee and the charity's Guiding Teacher, and his wife bought entirely from their own resources Shawbottom Farm, Upper Hulme, Leek, Staffs ST13 8UQ ("SBF") with the intention of converting part of it into a retreat centre. He declared this related interest to his fellow trustees in early course.

In July 2019 planning permission was obtained for such a change of use and the conversion works involved.

Since July 2019 the trustees have held meetings, without Simon Child being present, and agreed to enter into negotiations to hire SBF from him as the main retreat centre of the CIO. After costing the potential level of nightly charge, a range of potential charges was mooted. Then a professional valuation relating to those charges has been obtained and a provisional daily hire charge and other terms of hire, based on the Standard Terms of Hire which are intended to be used for the hire of SBF to other parties than the CIO, been agreed in principle. A form of draft agreement has also been agreed. However, it will not be completed nor the Charity Commission consent obtained until the legal entity which will enter into the agreement has been formed by the Owners of SBF, Simon Child and his wife.

This company has been formed. However, due to delays in the conversion arising from COVID-19, by the end of 2020 the work was not yet near completion so the agreement, although agreed in principle, has not yet been completed.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Save for cooking for the charity and matters in relation to SBF set out above, none of our trustees receive remuneration or other benefits from their work with the charity other than the reimbursement of expenses. There was no connection between any trustee with any supplier of goods or services to the charity.

Work has continued in 2020 to ensure that all Trustees are aware of the Charity Commission guidance and definition of related party interests and the need to declare any interest either at the start of a meeting or when an item becomes relevant to make a declaration. Depending on the item appropriate action is then taken regarding that item and the trustee's involvement in connection therewith.

Change of the CIO's primary retreat venue

As a result of the negotiations on SBF and the start of the conversion works, the trustees, again in the absence of Simon Child, also made the decision not to renew the hire agreement for Maenllwyd which was due to expire, and has now expired, on 30th September 2020. The owners of Maenllwyd were informed in 2019. Having started at the end of 2019, negotiations with the owners of Maenllwyd on the practicalities of the process of changing the CIO's main retreat centre from Maenllwyd to SBF and the transfer of the CIO's possessions at Maenllwyd to SBF were, despite the complications and delays arising from COVID-19, completed in good time. The possessions of the CIO at Maenllwyd, details of which had been agreed with the Owners of Maenllwyd, were transferred from Maenllwyd to SBF on 19/20 September 2020. This change became final on 30th September 2020.

However, because of the delays caused by COVID-19 and the lockdowns arising from it, no events have yet taken place at SBF.

Risk management

Our main retreat centre was intended to be at Maenllwyd until 30th September 2020. The charity was the only commercial user of Maenllwyd and there was a manual which provides guidance on the management of the premises and includes risk management aspects of using the premises. It was regularly updated as circumstances evolved and in response to new events or changes in legislation which need to be reflected and managed by the charity. Appropriate actions were always taken to minimise the impact of risks to acceptable levels, whilst taking into account the size of the organisation and the nature of the venue.

Other centres used in other years are run full-time as residential centres and so have their own instructions and risk management procedures for hirers,

Further there are policies in place to guide leaders in the avoidance and management of risk so that retreatants and other users of the charity are protected.

When the charity starts running events at SBF, a new set of appropriate guidelines will be drawn up.

Objectives and aims

Our purposes are set out in the objects within our Constitution, and are:

1. to advance the education of the public in general on the subject of the principles and practice of Buddhism; and

2. to advance the religion of Buddhism principally but not exclusively in the United Kingdom for the benefit of the public;

in each case by providing training in the Linji and Caodong traditions of Chan Buddhism, as transmitted through Master Sheng Yen, and distributing materials about Buddhism in written and other media to inform others about Buddhism, and, as a supplement to such advancement, to explore the relationship between Chan practice, Chan theory and other meditative practices and understanding.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

In pursuit of these purposes, we aim to provide a year-round programme of residential meditation retreats of varying length led by our teachers who are all based firmly in the Chan Tradition. The meditation and instruction are drawn from the Chan Buddhist tradition. We are not sectarian, but primarily draw upon teachings that are compatible with the Chan tradition and its focus on meditation as a beneficial transformative process, with our retreats concentrating on silent meditation rather than a ritual-based or liturgical content.

To maintain an inspiring and reflective environment for our retreats, we also aim to support the guestmasters who care for those who attend our retreats and support retreatants' day-to-day needs during retreats; wherever a retreat is held, we aim to maintain silence within the retreat centre environs. We aim to make retreats and off-site activities accessible to all and to provide financial assistance with the cost of retreats for people on low incomes.

Ensuring our work delivers its aims

As a general principle, each year we review the successes and otherwise of the previous year's programme as we embark upon compiling the next year's programme. After each retreat we ask retreatants to submit retreat reports, and we note comments on our administration, facilities, the quality of teaching, and the types of retreat on offer. Our retreat leaders are central to the success of our enterprise, so they have regular peer supervision sessions. The Practice Committee members provide advice and feedback on the quality of the programme and the quality of the environment offered by the centres we use. Trustees, teachers and staff work closely together to ensure that our activities are closely aligned with our objects and that we comply with the Charity Commission's guidance on public benefit.

In 2020 we were only able to run two in person retreats (both at Maenllwyd) before lockdown in early March 2020. We then had to cancel all our planned programme of retreats which had been drawn up until leaving Maenllwyd at the end of September 2020.

However, towards the end of 2020 we ran two experimental online retreats which nevertheless adhered to our general principles of asking for feedback which was generously and appreciatingly given.

The focus of our work

For most of 2020 our work has been severely curtailed by the radical effect of COVID-19 and consequent Government guidelines and regulations affecting both residential events and religious gatherings.

In 2020 we had planned to continue to develop our meditation programme; to encourage people of all backgrounds to engage in what we offer. This would have involved continuing to try to work in a way that embodies our ethical principles, based on compassion and non-harming. The main strategies employed during 2020 have been as follows:

- We had planned and published a balanced residential Retreat Programme spread throughout England and Wales that catered for those new to meditation as well as those experienced in meditation. After February 2020, these were victims of COVID-19
 - We had hoped to run another Calligraphy retreat. This was a victim of COVID-19
 - We are committed to enhancing our offering and making it more widely available to a more diverse population.
 - We support new teachers by inviting them to work alongside experienced teachers on longer retreats. This ensures that there are sufficient teachers available to lead retreats and provide us with support in the longer term. One of our online retreats run at the end of 2020 was led jointly by two new retreat leaders under the guidance of one of our established retreat leaders.
 - We support 19 local groups throughout Great Britain each of which has a leader approved by the Trustees. These groups take Chan out into their local community. Many of these groups
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Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

seamlessly went online when lockdown started. Others either stopped temporarily or joined together with those continuing online.

- We use a variety of media to communicate with those who visit us in order to ensure that their needs are met and that during their stay with us they have a sense of being well looked-after. Our website is regularly updated and contains clear information about our prices and the discounted rates that we offer in order to support those on lower incomes to attend our retreats. We use Facebook and Twitter alongside our website to ensure that information about our activities is kept up to date during the year. We also publish at least two Newsletters a year – these continued during 2020. Normally, our Programme is published on our website in the autumn of the preceding year as well as being circulated as a paper or electronic leaflet to our mailing list to those who have opted into such mailings and, on request, to other meditation centres and meditation sitting groups in the UK. At the end of 2020, due to COVID-19 this practice had to be left in abeyance
- As is common in the Buddhist tradition our teachers offer their services free of charge. Retreatants are invited to make donations, known in the Buddhist tradition as 'dana', to help the teachers with their living costs and enable them to continue giving their time to teaching. This helps us keep our prices low whilst still being able to offer retreats led by experienced teachers.
- In 2020 the push to publicise the benefit to the CIO of members and others making Legacies to it in their will has continued. Correspondents have been reminded of this in Newsletters and the website page has been updated.

Objectives and activities

Significant activities

During 2020 the Charity's activities focussed on several main areas:

- **Innovations within and outside our retreat programme**

Over the last few years, we have reached out to the public with innovative retreats firmly based in the Chan tradition but linked to an activity. This is with the intent to broaden our practice to embrace everyday life. In 2017 we put on three new styles of retreats. Two were co-run by one of our retreat leaders together with a member, one a professional stone carver (held in Dorset) and one a keen triathlete (held in North Yorkshire). The other was a short 4 night Taste of Chan away from Maenllwyd in the Peak District, run over Spring half-term; this was set up to enable newcomers to Chan to sample each of our three main types of retreat in one retreat. All three were well supported in 2017 and offered again in 2018 and two (4 night Taste of Chan And the Stone-Carving) also were offered in 2019.

Building on this in 2018 we also offered a calligraphy retreat (held in West Cornwall), again co-run by one of our retreat leaders together with a member who teaches calligraphy. This was also fully subscribed and was repeated with success in 2019.

The feedback from these retreats is that the combination of mindful activity, led with sensitivity, and meditation practice can produce a powerful experience and practice for the participants.

The Calligraphy retreat was in the 2020 programme but again, despite considerable thought as to how this could be done online, in the end was also cancelled in 2020 because of COVID-19

Alongside this, our slightly decreased regular retreat programme was fully subscribed in 2019 and was looking to be well if not fully subscribed in 2020 when COVID hit and resulted in all in person retreats after February 2020 being cancelled. This also had an outreach element because, in addition to regular retreats at our main centre at Maenllwyd (and the themed retreats in different parts of England mentioned above), we also regularly run retreats in Devon, the Peak District and Lancashire.

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Trustees' Annual Report *(continued)*

Year ended 31 December 2020

The charity did run two successful experimental online retreats towards the end of 2020 both structured to enable those taking part to continue to work on weekdays but partake in early morning and evening session together with full days of online meditation, talks and discussions either end of the working week. These online retreats continued the charity's offering of at least two personal interviews during the retreat which all participants find to be a supportive and unique part of our offerings.

The charity has decided, consistent with core Buddhist principles and its duties to act responsibly, to address the environmental impact of its activities by purchasing Gold Standard carbon offsets to reflect the carbon impact of its retreats and other activities. As a start, in 2020 the sum of £100 was paid in respect of the charity's 2019 retreats. It is intended to develop this in future years. Consultation with the Head of Faith Charities Engagement at the Charity Commission confirmed that this is regarded as an appropriate application of charitable funds.

- **General Data Protection Regulation (GDPR)**

Because we have no physical centre or office, our web site is our primary interface with the public, both for information on our activities and for those wanting to attend our retreats. Behind this is a comprehensive database including all those who have been in contact with the charity, or its predecessor WCF, since 1998. While the charity has always been aware of Data Protection and complied with its requirements, GDPR put data protection on a new footing which placed much more onus on Data Controllers, which the charity is.

After successfully implementing GDPR procedures in 2017, these have continued to be adhered to in 2020.

- **Safeguarding**

The charity, and its predecessor WCF, have always taken the safeguarding of retreatants and others who come into contact with the charity seriously and have had policies in this regard in place for many years.

However, the recent emphasis by the Charity Commission on this area of concern has been noted. In 2018 the charity appointed, from amongst the trustees, a dedicated Safeguarding Officer. This has resulted in new policies being either adopted or drafted for adoption in relation to both Vulnerable Adults and Children. This suite of policies was put in place in 2019.

Further it was decided in 2019 that all local Group Leaders should have a basic DBS certificate. The cost would be borne by the CIO. Through the efforts of the Safeguarding Officer, by the end of 2019 all Group Leaders had a current DBS certificate. These is reviewed annually.

- **Developing and updating our suite of policies**

In addition to new GDPR-related and Safeguarding policies, the trustees embarked on a complete review of all policies. These have been updated and revised where necessary. They were all agreed in 2019 and are now being reviewed. Many are available on our website.

- **Maintaining financial stability and resourcing our future plans.**

Our policy is to keep costs as low as possible and this, combined with low inflation rates, has meant that 2020 prices were only increased by inflation. The pricing policy is to ensure that our prices are competitive and also provide lower-cost options to people whose finances are restricted. Our price structure is based on a standard price per night.

Discounts both are offered on all retreats and also target particular groups such as under-35s who may not be at a stage of life to afford fully priced retreats. In 2018, the booking process was adjusted to facilitate this and this continues with success. As part of its diversity policy the charity wishes to continue to make retreats appropriately priced to encourage access to the programme for all people.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

The charity continues to operate its Support Fund. The fund, supported by donations, provides financial help with retreat costs for people on low incomes.

Publications

The Charity publishes a regular journal, New Chan Forum, twice a year and has continued to do this in 2020. This is edited voluntarily by a member and is distributed without charge to members, our groups throughout the UK and various allied Buddhist organisations in the UK and elsewhere. It also available on subscription to non-members and is available for free download from the public pages of our website.

The charity also has published, and keeps in print, two introductory booklets on Buddhism for Westerners and Meditation written by its former and present Guiding Teachers respectively. These are distributed free of charge through its retreats and groups as a resource for them and the public. Encouragingly, both were reprinted in 2019 with a print run of 1,000 each.

WCF CIO Groups

The charity supports 19 groups throughout Great Britain. To ensure that the charity continues to abide by its objects and stay true to the Chan lineage, each is led by an approved leader.

When COVID-19 and its restrictions on religious meeting (which our group meetings clearly were) struck, many of our groups, after consulting their local members, went online via Zoom or Google Meet and continue to do so while the restrictions last. Others, after such consultation, decided to suspend meetings until in person meeting is again allowed.

One unsought result of the COVID-19 lockdown is the ability of members to join local groups remotely that are away for their area. For some this has been a considerable benefit of lockdown and the charity will be investigating how to accommodate this development when lockdown ends.

Each group Leader has a personal mentor drawn from our retreat leaders. To develop and support this aspect of the charity, a Leaders' Retreat is run annually which combines training with support and Sangha (community) development. In order to ensure future leaders both for groups and the charity, potential group leaders are also invited to such retreats to start the process of understanding the possibilities within the charity for both their personal development and the roles on offer for committed volunteers. This was run online via Zoom in 2020.

In addition, some Groups organise Day Retreats for their members and the wider community. These are advertised in our Newsletters and on the charity's web site. In 2020, some were held in person at the beginning of the year and then others online during the rest of the year.

In addition, another Pointing Out the Great Way residential training programme was started early in 2020 for a second set of Group Leaders and potential group leaders. This will be modelled on the very successful first running of this course in 2015-2016. After a lull this is continuing online pending return to in person meetings.

Local Groups are an integral part of the charity's offering for the public benefit as a result of which their local assets are reflected in the charity's accounts.

How our activities deliver public benefit

The main activities in support of our charitable objectives are described in earlier sections of this report.

Information about the number of people who have attended our programme and the financial support with costs that they have received is detailed in the section on "Achievement and Performance" below.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Volunteers

The Charity has stayed close to its grassroots and is supported throughout the year by the dedicated work of a community of volunteers without whose help and dedication the charity would cease to function.

These include (in no particular order) retreat leaders, guest masters, editor of New Chan Forum, group leaders and organisers of weekend retreats throughout Great Britain, transcribers of retreat talks which are then published in New Chan Forum, cooks' co-ordinator so that there are trained cooks at each retreat wherever it is held, admin staff who run and maintain the website and booking system and the lifts co-ordinator on whom retreatants rely to enable them to access our retreats.

The trustees are very appreciative and grateful for all their unstinting contributions to the work of the charity.

Strategic Report

Achievement and performance

Charitable activities

Key facts:

The charity held two residential group retreats of a length of 5 and 7 nights and two online retreats which ran from Saturday to Saturday. They were attended by 50 individuals (51 bookings) for a total of 26 nights.

The charity's Support Fund has given help towards the cost retreats of £900 to 7 retreatants.

The charity had 77 full members and 23 associate members at 31/12/20 (77 full members and 21 associate members at 31/12/19).

Fundraising activities

We continue to invite donations to the Support Fund (which provides financial help with retreat costs for people on low incomes) through the opportunity to pay a "supporting" fee for a place on a retreat.

Ad hoc donations can be made to any of our funds via our website, through CAFonline and Paypal and also at the end of retreats. Information is also available on our website about payroll giving and leaving a legacy.

Donors are able to download a Gift Aid declaration from our website and the charity continues to claim Gift Aid annually.

Financial Review

Reserves policy

The charity's unallocated reserve allows for the value of four months' outgoings and sufficient to reimburse retreatants for retreats paid in advance and a balance for payment of unavoidable commitments. This will enable the charity to continue to operate in the event of a major decline in income as a result of unforeseen circumstances or emergencies. The remaining unallocated balance is transferred to the Designated Equipment and Property Assets Reserve to facilitate the long-term plan of buying and equipping a retreat centre.

Western Chan Fellowship CIO

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial Position

The accounts show a surplus at the end of 2020 despite the COVID-19 pandemic and the charity has more than sufficient funds to continue operating whilst looking ahead to the development of the strategic direction of the charity. The surplus represents our continued efforts to keep our cost base as low as possible, fortuitous donations and the sale of an asset.

The charity made a surplus for 2020 of £7,031 compared with £11,682 in 2019.

The surplus on retreat activities was lower than 2019 due to reduction in the number of retreats because of COVID-19 with both income and expenditure being greatly reduced. COVID-19 has however allowed for the development and offer of online retreats for the first time.

Donations and other income were both higher in 2020 compared to 2019 due to a fortuitous large donation and the sale of a charity asset.

Administrative expenses decreased slightly in 2020 due to reduced bank charges and expenses.

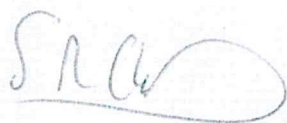
Bank accounts

The charity continues to operate an ethical banking policy, by banking with the Co-operative Bank, Charities Aid Foundation Bank, Triodos Bank and Charity Bank. Each account has a balance below the level set by the government guaranteed Financial Services Compensation Scheme. At 31st December 2020 the charity had £231,932 (£249,334 at 31/12/19) distributed between these independent banks. The reduction in bank balances compared to 2019 is due to the lack of advance booking receipts for retreats which, in previous years, have increased our balances significantly.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 20 to the financial statements.

The trustees' annual report was approved on 5 June 2021 and signed on behalf of the board of trustees by:



Simon Child
Trustee

Western Chan Fellowship CIO

Independent Examiner's Report to the Trustees of Western Chan Fellowship CIO

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Western Chan Fellowship CIO ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



Keith Clay FCA
Thomas Westcott Chartered Accountants
Independent Examiner

28 July 2021

Plym House
3 Longbridge Road
Marsh Mills
Plymouth
PL6 8LT

Western Chan Fellowship CIO

Statement of Financial Activities

Year ended 31 December 2020

		Unrestricted funds £	2020 Restricted funds £	Total funds £	2019 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	4,446	5,000	9,446	5,387
Charitable activities	5	52,750	—	52,750	91,523
Investment income	6	545	—	545	869
Other income	7	2,298	—	2,298	1,279
Total income		<u>60,039</u>	<u>5,000</u>	<u>65,039</u>	<u>99,058</u>
Expenditure					
Expenditure on charitable activities	8	63,208	—	63,208	87,376
Other expenditure	10	(200)	(5,000)	(5,200)	—
Total expenditure		<u>63,008</u>	<u>(5,000)</u>	<u>58,008</u>	<u>87,376</u>
Transfers between funds		<u>53,671</u>	<u>(53,671)</u>	<u>—</u>	<u>11,682</u>
Net income and net movement in funds		<u>50,702</u>	<u>(43,671)</u>	<u>7,031</u>	<u>11,682</u>
Reconciliation of funds					
Total funds brought forward		188,740	59,671	248,411	236,729
Total funds carried forward		<u>239,442</u>	<u>16,000</u>	<u>255,442</u>	<u>248,411</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

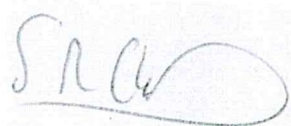
Western Chan Fellowship CIO

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	15	8,956	10,103
Current assets			
Debtors	16	6,849	9,039
Cash at bank and in hand		242,335	261,013
		249,184	270,052
Creditors: amounts falling due within one year	17	2,698	31,744
Net current assets		246,486	238,308
Total assets less current liabilities		255,442	248,411
Net assets		255,442	248,411
Funds of the charity			
Restricted funds		16,000	59,671
Unrestricted funds		239,442	188,740
Total charity funds	18	255,442	248,411

These financial statements were approved by the board of trustees and authorised for issue on 5 June 2021, and are signed on behalf of the board by:



Simon Child
Trustee

The notes on pages 14 to 22 form part of these financial statements.

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 46 Wood Park, Ivybridge, Devon, PL21 0PP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011. The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors, such as their product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 10% straight line
Books	- 10% straight line

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations - Fellowship	459	—	459
Donations - Support Fund	1,882	—	1,882
Donations - Property Fund	—	5,000	5,000
Donations - POTGW	2,105	—	2,105
	<u>4,446</u>	<u>5,000</u>	<u>9,446</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations - Fellowship	395	—	395
Donations - Support Fund	3,109	—	3,109
Donations - Property Fund	—	1,883	1,883
Donations - POTGW	—	—	—
	<u>3,504</u>	<u>1,883</u>	<u>5,387</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Sales of Books and CDs	41	41	382	382
Income from Retreat Fees	43,737	43,737	68,768	68,768
Support Places Given	900	900	4,891	4,891
Fellowship Subscriptions	3,243	3,243	3,175	3,175
Branch Income	4,829	4,829	14,307	14,307
	<u>52,750</u>	<u>52,750</u>	<u>91,523</u>	<u>91,523</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank Interest Received	545	545	869	869

7. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gift Aid	2,168	2,168	953	953
Other Miscellaneous Income	130	130	326	326
	<u>2,298</u>	<u>2,298</u>	<u>1,279</u>	<u>1,279</u>

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	2020	2020	2019	2019
	£	£	£	£
Retreat costs	45,063	45,063	57,580	57,580
Branch expenses	6,104	6,104	13,733	13,733
Support costs	12,041	12,041	16,063	16,063
	<u>63,208</u>	<u>63,208</u>	<u>87,376</u>	<u>87,376</u>

9. Analysis of support costs

	Analysis of support costs	Total 2020	Total 2019
	£	£	£
Communications and IT	195	195	144
Finance costs	627	627	2,667
Insurance	3,521	3,521	3,336
Depreciation	1,147	1,147	1,400
Accountancy and Independent Examiners Fee	2,340	2,340	2,160
Advertising, postage and stationery	3,338	3,338	3,529
Legal and professional fees	60	60	1,176
Subscriptions	416	416	413
Travel	305	305	795
Meetings	92	92	443
	<u>12,041</u>	<u>12,041</u>	<u>16,063</u>

10. Other expenditure

	Unrestricted Funds	Restricted Funds	Total Funds
	2020	2020	2020
	£	£	£
(Gain)/loss on disposal of tangible fixed assets held for charity's own use	<u>(200)</u>	<u>(5,000)</u>	<u>(5,200)</u>
	Unrestricted Funds	Restricted Funds	Total Funds
	2019	2019	2019
	£	£	£
(Gain)/loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>—</u>	<u>—</u>

11. Net income

Net income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	1,147	1,400
(Gain)/loss on disposal of tangible fixed assets	<u>(5,200)</u>	<u>—</u>

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	990	1,080
Other financial services	990	1,440
	<u>1,980</u>	<u>2,520</u>

13. Staff costs

The charity does not employ any members of staff.

14. Trustee remuneration and expenses

Trustees can be remunerated for services provided and retreat expenses incurred, as permitted under the Constitution of the Western Chan Fellowship CIO (see Clauses K1, K2, K3).

Out-of pocket expenses incurred by other trustees during the year 2020 with reference to postage, equipment, stationery, and miscellaneous expenses was Nil (2019 £580). No trustees (2019: 4) claimed expenses in the year.

15. Tangible fixed assets

	Fixtures and fittings £	Books £	Total £
Cost			
At 1 January 2020 and 31 December 2020	<u>6,803</u>	<u>11,470</u>	<u>18,273</u>
Depreciation			
At 1 January 2020	6,803	1,367	8,170
Charge for the year	–	1,147	1,147
At 31 December 2020	<u>6,803</u>	<u>2,514</u>	<u>9,317</u>
Carrying amount			
At 31 December 2020	–	8,956	8,956
At 31 December 2019	–	10,103	10,103

Assets are measured at cost less accumulated depreciation. Items over £1,000 are capitalised. The retreat hut, which was restricted, had an original cost of £11,194 and was fully depreciated. The hut was disposed of in the year. £5,000 was received in proceeds from the disposal. The proceeds have been recognised within restricted income.

16. Debtors

	2020 £	2019 £
Prepayments and accrued income	2,559	5,246
Other debtors	4,290	3,793
	<u>6,849</u>	<u>9,039</u>

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

17. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	2,698	4,383
Other creditors	–	27,361
	<u>2,698</u>	<u>31,744</u>

18. Analysis of charitable funds

Unrestricted funds

	2019 £	Income £	Expenditure £	Transfers £	2020 £
Support Fund	8,000	1,882	(900)	–	8,982
Training Fund	3,479	–	(975)	–	2,504
Publications Fund	11,019	–	–	–	11,019
Equipment and Property Assets	6,234	–	–	125,703	131,937
General Funds	160,008	58,157	(61,133)	(72,032)	85,000
	<u>188,740</u>	<u>60,039</u>	<u>(63,208)</u>	<u>53,671</u>	<u>239,442</u>

	2018 £	Income £	Expenditure £	2019 £
Support Fund	8,000	4,891	(4,891)	8,000
Training Fund	3,479	–	–	3,479
Publications Fund	11,019	–	–	11,019
Equipment and Property Assets	6,234	–	–	6,234
General Funds	150,209	92,284	(82,485)	160,008
General funds	<u>178,941</u>	<u>97,175</u>	<u>(87,376)</u>	<u>188,740</u>

Restricted funds

	2019 £	Income £	Expenditure £	Transfers £	2020 £
Equipment and Property Fund	<u>59,671</u>	<u>10,000</u>	<u>–</u>	<u>(53,671)</u>	<u>16,000</u>

	2018 £	Income £	Expenditure £	Transfers £	2019 £
Equipment and Property Fund	<u>57,788</u>	<u>1,883</u>	<u>–</u>	<u>–</u>	<u>59,671</u>

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	8,956	—	8,956
Current assets	233,184	16,000	249,184
Creditors less than 1 year	(2,698)	—	(2,698)
Net assets	<u>239,442</u>	<u>16,000</u>	<u>255,442</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	10,103	—	10,103
Current assets	210,380	59,671	270,051
Creditors less than 1 year	(31,743)	—	(31,743)
Net assets	<u>188,740</u>	<u>59,671</u>	<u>248,411</u>

20. Post balance sheet events

At the end of the financial year, the country was still in the middle of the response to the COVID-19 global pandemic. There remained uncertainty around the impact of this, and indeed before the end of the calendar year, another national lockdown was implemented.

Whilst we do not feel that these events and the lockdowns which have subsequently followed triggers any adjustments to the financial statements either based upon the position at the year-end or due to events that have transpired since, it is not possible to exclude significant impacts on the international and UK economy, which could impact the future performance of the charity.

Western Chan Fellowship CIO have and will continue to evaluate the management actions to mitigate the impact on the charity. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining the charity's activities.

21. Related parties

In the year, there were no related party transactions made to trustees. The total paid in the prior year to trustees was £1,300 relating to fees paid to cooks while on retreat. One trustee was the recipient of the fees.

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

22. Retreat Income and Expenses

	2020	2019
Number of retreats run during the year	4	15
Number of days of retreat provided	26	79
Number of people paying to attend the retreats	50	185
	£	£
Income from Retreat Fees paid	43,737	68,768
Support Places given	900	4,891
	<u>44,637</u>	<u>73,659</u>
Rent paid for use of Maenllwyd	4,187	5,871
Hire fees paid to centres in England	3,080	15,936
Fees paid to cooks	1,622	9,862
Retreat expenses: food and supplies	1,972	11,048
Booking refunds	33,302	9,972
Support to retreatants	900	4,891
	<u>45,063</u>	<u>57,580</u>
Total surplus/(deficit) on Retreat Programme	<u>(426)</u>	<u>16,079</u>
Allocated to:		
Funds transferred to the general reserves of the charity	(426)	14,297
Funds transferred to the Support Fund	–	1,782
	<u>(426)</u>	<u>16,079</u>

23. Use of Donations

Support Fund – This is a designated fund. The donations are given to help unemployed or low waged people attend retreats. Donations have been used as follows;

	2020	2019
Balance brought forward	8,000	8,000
Donations to the Support Fund	1,882	3,109
Support places given	(900)	(4,891)
Transfer from General Reserves	–	1,782
	<u>8,982</u>	<u>8,000</u>

Publication Fund – This is a designated fund. Donations have been used as follows;

	2020	2019
Balance brought forward	11,019	11,019
Donations to the Publication Fund	–	–
Expenditure from the Publication Fund	–	–
Transfer from General Reserves	–	–
	<u>11,019</u>	<u>11,019</u>

Western Chan Fellowship CIO

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

Training Fund – This is a designated fund. Donations have been used as follows;

	2020	2019
Balance brought forward	3,479	3,479
Donations to the Training Fund	2,105	–
Expenditure from the Training Fund for rent	(3,080)	–
Transfer from General Reserves	–	–
	<u>2,504</u>	<u>3,479</u>

Equipment, Property and Asset (EPA) Fund – This is a designated fund. Donations have been used as follows;

	2020	2019
Balance brought forward	6,234	6,234
Donations to the EPA Fund	–	–
Expenditure from the EPA Fund	–	–
Transfer from Restricted Funds	53,671	–
Transfer from General Reserves	72,032	–
	<u>131,937</u>	<u>6,234</u>

General reserves – This is an unrestricted fund. Donations have been used as follows;

	2020	2019
Balance brought forward	160,008	150,209
Surplus for the year	(2,969)	9,900
Movement in the Support Fund	(982)	1,782
Movement in the Training Fund	975	–
Transfer to the EPA Fund	(72,032)	–
Transfer to the Property Fund	–	(1,883)
	<u>85,000</u>	<u>160,008</u>

Property Fund – This fund is restricted. Donations have been used as follows;

	2020	2019
Balance brought forward	59,671	57,788
Donations to the Property Fund	5,000	–
Gain on disposal of the hut	5,000	–
Expenditure from the Property Fund	–	–
Transfer to the EPA Fund	(53,671)	–
Transfer from General Reserves	–	1,883
	<u>16,000</u>	<u>59,671</u>

Funds have been transferred from the Restricted Property Fund to the Designated Equipment, Property and Asset Fund in the year. On review of the funds, the trustees recognised that donations received for the specific purpose of a new retreat centre were in fact only £6,000. The other funds recognised within restricted funds were in fact designated. To correct this, the funds have been transferred. The restricted fund is now made up of the £6,000 donations and the £10,000 received as restricted income in the year.