

The Forest Hermitage Trust

The Forest Hermitage

Lower Fulbrook

Warwickshire CV35 8AS

Company Registration Number 10368008 (England & Wales)

Registered Charity Number 1173083

Annual Report and Unaudited Financial Statements

For the Year Ended 31 March 2023

Table of Contents

COMPANY INFORMATION	3
DIRECTORS' & TRUSTEES' ANNUAL REPORT	4
INDEPENDENT EXAMINER'S REPORT	7
STATEMENT OF FINANCIAL ACTIVITIES	8
BALANCE SHEET	9
NOTES TO THE ACCOUNTS	10

Company Information

Directors (Trustees for the purpose of charity law)

Antony James Harfield

Nilar Win (appointed 5th February 2023)

Robert Bryan Yellowhammer (appointed 5th February 2023)

Christopher Donald Cook (appointed 5th February 2023)

Chamila Nayani Wimalka Udagedara Mudiyansele

Sarah Julie Wallis (resigned 31st March 2023)

Mark Andrew Bowen (resigned 25th February 2023)

Jeremy Martin Childerstone (resigned 25th January 2023)

Yin Yin Mon Ohn (resigned 17th January 2023)

Tarinee Sawetnaphanon (resigned 21st January 2023)

Secretary

Matthew Brayshaw (resigned 19th October 2022)

Company Number

10368008 (England & Wales)

Charity Number

1173083

Registered Office

The Forest Hermitage

Fulbrook Lane

Lower Fulbrook

Warwickshire

CV35 8AS

England

Directors' & Trustees' Annual Report

The Directors present their annual report and financial statements for the year ended 31st March 2023 and confirm they comply with the Companies Act 2006, the Charities Act 2011, and the Charities SORP (FRS102). The Directors confirm they have complied with the duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Management and governance arrangements

The Forest Hermitage Trust is a charitable company limited by guarantee and has no share capital. It was incorporated on 9th September 2016 and registered as a charity on 18th May 2017. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Every Member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £10.

Membership of the charity is open to individuals who are Bhikkhu Sangha and are resident at The Forest Hermitage, by ordinary resolution at an annual or extraordinary general meeting.

The charity is a public benefit entity as set out in PBE3.3A.

To Charity's core objective is to advance the Buddhist religion for the benefit of the public in accordance with the teachings of the Buddha by:

- a) Providing, maintaining and supporting, in accordance with the principles of the Theravada Vinaya, residential establishments for a monastic sangha of persons who have undertaken the rules of training (Sikkhapada).
- b) Supporting lay people in the practice of the teachings of the Buddha.
- c) Such other means as may from time to time be decided.

The Directors of the company are also Trustees for the purposes of charity law and under the Articles of Association are known as Directors. Under the requirements of the Memorandum and Articles of Association the Directors are appointed or removed by the Members at an annual or extraordinary general meeting.

The Directors annually review the risks that the charity faces.

On 10th April 2019 the Trustees of the Buddha Dhamma Fellowship agreed to transfer ongoing responsibility and ownership of the assets and liabilities held by the Buddha Dhamma Fellowship to the Forest Hermitage Trust for £zero financial consideration. This includes all the buildings and chattels of the Forest Hermitage Monastery. The Purposes of the Forest Hermitage Trust are similar to the Buddha Dhamma Fellowship.

The Forest Hermitage Trust now administers The Forest Hermitage Buddhist Monastery and acts as steward of the Sangha, the community of monks founded by the Buddha more than 2,500 years ago. The senior monk, the Venerable Ajahn Khemadhammo, with other monks and lay-attendants reside at the monastery. The tradition is that of the Theravada school.

Review of the year: main activities undertaken by the charity to further its charitable purposes for the public benefit

The objective of the charity is to provide a place for the practice and teaching of Buddhism. Each year the Directors review the charity objectives and activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

The monastery continues to recover from the effects of the COVID-19 restrictions that caused significant reduction in visitors to the monastery. Over the last year we've had to rely on the support of a few dedicated individuals.

Ven. Ajahn Khemadhammo runs Angulimala, The Buddhist Prison Chaplaincy and is chairman of The Theravada Buddhist Sangha in the United Kingdom (TBSUK).

Financial activities & future plans

The charity's main source of income is charitable giving, which is used to maintain the fabric of the monastery and provide for the wellbeing of the monks.

Surplus monies held by the Buddha Dhamma Fellowship in respect of its charitable activities since the transfer are held in trust on behalf of the Forest Hermitage Trust and will be donated to the Forest Hermitage Trust.

Reserves Policy

The Trustees' policy is to hold sufficient free reserves to cover charitable activities for up to 3 years.

Statement of Directors' responsibilities

Company law and charity law requires the Directors to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operational existence.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by Antony Harfield, Director

Antony Harfield, dated 3 December 2023

Independent Examiner's Report

I report to the Trustees of the Forest Hermitage Trust (Reg. Charity No 1173083) on the accounts for the year ended 31 March 2023, which are set out on pages 8 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the Act; and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



3 December 2023

Tony Tse

TT Accountants, First Floor, 2 Hampton Court Road
Birmingham B17 9AE

Statement of Financial Activities

	Unrestricted	Restricted	Total 31/03/2023	Total 31/03/2022
	£	£	£	£
<u>Income</u>				
Donations	77,147	-	77,147	48,567
Legacies	-	-	-	78,649
Charitable activities	2,600	-	2,600	-
Gross Income	79,747	-	79,747	127,216
<u>Expenditure</u>				
<i>Charitable Activities:</i>				
Building Maintenance & Repairs	28,123	-	28,123	22,108
Household Expenses	1,027	-	1,027	4,207
Heat & Light	10,165	-	10,165	7,823
Buildings Depreciation	329	-	329	276
Animals & Garden	607	-	607	632
Monks' Welfare	3,605	-	3,605	874
Non Prison Travel	3,131	-	3,131	2,202
Motor Vehicle Deprecation	1,231	-	1,231	1,641
Council Tax	3,771	-	3,771	3,691
Insurance	2,059	-	2,059	4,762
Total	54,048	-	54,048	48,216
<i>Other (Management & Administration):</i>				
Postage, Printing & Stationery	3,082	-	3,082	631
Telephone	360	-	360	579
Software & Online Services	192	-	192	-
Equipment Depreciation	480	-	480	316
Equipment	451	-	451	1,433
Computer Consumables	-	-	-	355
Legal & Professional	-	-	-	561
Bank Charges	374	-	374	252
Bank Interest	-540	-	-540	-28
Sundry Expenses	1,930	-	1,930	819
Total	6,329	-	6,329	4,918
Total Expenditure	60,377	-	60,377	53,134
Net Income	19,370	-	19,370	74,082
Total Funds Brought Forward	266,454	512,186	778,640	704,558
Total Funds Carried Forward	285,824	512,186	798,010	778,640

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

The statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act (2006).

Balance Sheet

	31/03/2023	31/03/2022
	£	£
<u>Fixed Assets</u>		
Tangible Assets (note 8)	577,280	578,137
<u>Current Assets</u>		
Cash at Bank and in hand	230,730	210,503
Total Assets less Current Liabilities	808,010	788,640
Creditors-amounts falling due within 1 year (note 9)	10,000	10,000
Net Assets	798,010	778,640
<u>Funds (note 10)</u>		
Unrestricted - General Fund	285,824	266,454
Restricted Building Fund	512,186	512,186
Total Funds	798,010	778,640

For the year ended 31st March 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – Small Entities. The Directors have chosen to deliver a profit and loss account to the Registrar of Companies.

Approved by the Trustees and signed on their behalf by Antony Harfield, Director

Antony Harfield, dated 3 December 2023

The notes on pages 10-12 form an integral part of these accounts.

Notes to the accounts

1. Statutory Information

The Forest Hermitage Trust is a private company, limited by guarantee, registered in England and Wales, registration number 10368008. The registered office is The Forest Hermitage, Fulbrook Lane, Lower Fulbrook, Warwickshire, CV35 8AS, England.

2. Compliance with accounting standards

The accounts have been prepared on a receipts and payments basis in accordance with the Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS102) and provisions of FRS 102 Section 1A Small Entities except that, to give a true and fair view, the transfer from the Buddha Dhamma Fellowship to the Forest Hermitage Trust has been treated as a merger. This reflects the continuity of operations and avoids a very misleading level of income and profit.

3. Public Benefit Entity

The Forest Hermitage Trust is a public benefit entity.

4. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous period, and also have been consistently applied within the same accounts.

Basis of accounting - The accounts have been prepared under the historical cost convention.

Presentation currency - The accounts are presented in £ sterling, rounded to the nearest £.

Going Concern - At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operation for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. There are no material uncertainties about the Charity's ability to continue.

Tangible Fixed Assets and Depreciation – Tangible fixed assets are included at cost less depreciation and impairment. Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful economic lives as follows:

Freehold Property: land & buildings	no depreciation	
Temporary Buildings: kuti, marquee & cabins	10% pa	Straight line
Motor Vehicles	25% pa	Reducing balance
Computer & Office Equipment	25% pa	Straight line

No depreciation has been provided on the freehold property as this is maintained in a continual state of sound repair and the Directors consider that the market value is still considerably in excess of cost. The Directors review this policy annually in the light of fluctuations in the local property market.

Other contents of the Forest Hermitage and grounds - No financial value is put on items provided as gifts.

Income recognition - Income consists mainly of donations and is recognised as it is received.

Following completion of the transfer of the assets and activities to the Forest Hermitage Trust, the Buddha Dhamma Fellowship has a contractual obligation to transfer any monies received by them in respect of charitable activities as and when it is received. Therefore, all money received by the Buddha Dhamma Fellowship is included as income under the relevant headings.

Where expenses have continued to be paid by the Buddha Dhamma Fellowship on behalf of the Forest Hermitage Trust, this is included as expenditure under the relevant headings in the Statement of Financial Activities.

Cash at bank and in hand - Any cash balances in transit from the Buddha Dhamma Fellowship are included in cash and cash equivalents.

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

Gifts in kind - the Charity receives the benefit of work done by volunteers and receives gifts of food and other items. No financial value is put on these items.

Taxation - as a registered Charity, the Trust is generally exempt from income tax, corporation tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

5. Average number of employees

During the year the average number of employees was 0 (2022: 0), and total salaries paid were £zero (2022: £zero).

Directors do not receive any remuneration or other financial benefit from the Charity.

6. Volunteers

Volunteers assist in many of the monasteries activities, including: routine garden maintenance, setting up marquees and preparing offerings at festival days; acting as drivers for the monks; acting as ushers and stewards at the monastery; preparing food for the monks.

7. Independent Examiner

No fees were paid to the Independent Examiner (2022: £243).

8. Tangible Fixed Assets

	Freehold Property	Temporary Buildings	Motor Vehicles	Computers & Office	Total
	£	£	£	£	£
<u>Cost</u>					
At 1 April 2022	570,925	19,994	24,250	2,602	617,771
Additions	-	533	-	650	1,183
Disposals	-	-	-	-	-
At 31 March 2023	570,925	20,527	24,250	3,252	618,954
<u>Depreciation</u>					
At 1 April 2022	-	18,338	19,326	1,970	39,634
Charge for the year	-	329	1,231	480	2,040
Disposals	-	-	-	-	-
At 31 March 2023	-	18,667	20,557	2,450	41,674
<u>Net book value</u>					
At 1 April 2022	570,925	1,656	4,924	632	578,137
At 31 March 2023	570,925	1,860	3,693	802	577,280

9. Creditors

Amounts falling due within 1 year

	31/03/2023	31/03/2022
	£	£
Other creditors	10,000	10,000
	10,000	10,000

Three private interest free loans are due for repayment in two to five years, and were transferred to The Forest Hermitage Trust from the Buddha Dhamma Fellowship.

10(a). Movement in Funds

Restricted (Building) - is a restricted reserve arising on the transfer from the Buddha Dhamma Fellowship - accumulated surplus of restricted donations used for the purchase, maintenance and improvement of the freehold properties at Lower Fulbrook and Hampton Wood.

	1st April 2022	Income	Expenditure	31st March 2023
	£	£	£	£
Restricted Funds	512,186	-	-	512,186
Unrestricted Funds	266,454	79,747	-60,377	285,824
Total Funds	778,640	79,747	-60,377	798,010

10(b). Analysis of Funds

	2023		2022	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Tangible Assets	65,094	512,186	65,951	512,186
Cash at Bank and in hand	230,730	-	210,503	-
Creditors-amounts falling due after 1 year	-10,000	-	-10,000	-
Total Funds	285,824	512,186	266,454	512,186

11. Capital commitments

As at 31 March 2023 the Forest Hermitage Trust had no capital commitments (2022: £nil).

12. Related Parties

On 10th April 2019 the Trustees of the Buddha Dhamma Fellowship agreed to transfer ongoing responsibility and ownership of the assets and liabilities held by the Buddha Dhamma Fellowship to the Forest Hermitage Trust for £zero financial consideration. The Forest Hermitage Trust and the Buddha Dhamma Fellowship have a number of Trustees in common and are hence related parties.

The Buddha Dhamma Fellowship has a contractual obligation to transfer any monies received by them in respect of charitable activities as and when it is received. Therefore, all money received by the Buddha Dhamma Fellowship is included as income under the relevant headings. 2023: £59,808 (2022: £13,531)

Surplus monies held by the Buddha Dhamma Fellowship in respect of its charitable activities since the transfer are held in trust on behalf of the Forest Hermitage Trust and will be donated to the Forest Hermitage Trust. 2023: £2,436 (2022: £50,017)