

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DHARMACHAKRA.

I report on the accounts of the charity the Dharmachakra for the Year Ended 31st December 2023

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the charity's trustees you are responsible for the preparation of the accounts: you consider that the audit requirement of section 43(2)e of the Charities Act 1993 (the Act) does not apply; it is my responsibility to state, on the basis of procedures specified in the General Directions given by the charity Commissioners under section 43(7) (b) of the Act, whether particular matters have come to my attention.

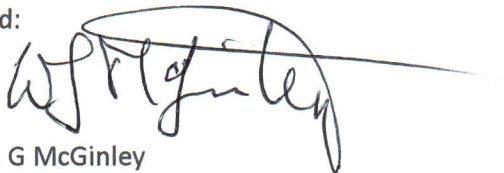
BASIS OF INDEPENDENT EXAMINERS REPORT.

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with records. It includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide evidence that would be required in an audit, and consequently I do not express an audit opinion given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

All records that were asked for were provided to me in my examination, and no matters came to light that suggested true and accurate records were not being kept.

Signed:

A handwritten signature in black ink, appearing to read 'W G McGinley', with a long horizontal line extending to the right.

Dr W. G McGinley

Upper Demesne,
The Turning,
Garway,
HR2 8RJ

14th November 2024

Dharmachakra				
Statement of Activity				
January - December 2023				
	Total			
	Jan - Dec 2023	Jan - Dec 2022 (PY)	Change	Notes
Revenue				
400 Contributed income				
405 One-Off Donations	14,672.62	12,185.44	2,487.18	
410 Recurring Donations	39,621.38	38,683.63	937.75	
415 Online Charity Programs		300.00	-300.00	
420 Gift Aid	13,968.71		13,968.71	
430 Grants	76,848.14	97,999.92	-21,151.78	See note 1 below
435 Event Dana	36,996.01	24,906.27	12,089.74	
Total 400 Contributed income	£ 182,106.86	£ 174,075.26	£ 8,031.60	
440 Earned Income				
Total 470 Triratna Server Management	£ 8,389.54	£ 7,026.00	£ 1,363.54	
Total 440 Earned Income	£ 8,389.54	£ 12,026.00	-£ 3,636.46	See note 3 below
Total Revenue	£ 190,496.40	£ 186,101.26	£ 4,395.14	
Gross Profit	£ 190,496.40	£ 186,101.26	£ 4,395.14	
Expenditures				
500 Payroll expenses				
501 Salaries & wages	66,967.32	57,908.00	9,059.32	
502 Payroll Tax Expense		361.00	-361.00	
504 Pension Expense		336.60	-336.60	
Total 500 Payroll expenses	£ 66,967.32	£ 58,605.60	£ 8,361.72	See note 4 below
510 Professional fees				
511 Accounting	2,726.51	1,762.40	964.11	
521 Social media		4,222.99	-4,222.99	
523 Web Coding & Development	17,162.50	25,382.95	-8,220.45	

525 Content Promotion	11,616.52	6,275.23	5,341.29	
527 Teaching	21,479.20	12,169.48	9,309.72	
529 Administration	20,796.54	15,230.20	5,566.34	
531 Other Miscellaneous Service Cost	720.00		720.00	
535 Digital Content Creation	4,960.00		4,960.00	
Total 510 Professional fees	£ 79,461.27	£ 65,043.25	£ 14,418.02	<i>See note 4 below</i>
540 Operations			0.00	
550 Bank Charges	£ 2,881.90	£ 2,333.89	£ 548.01	
555 Depreciation	1,039.11	1,039.12	-0.01	
560 Insurance	781.76	781.76	0.00	
575 Miscellaneous Expense		55.27	-55.27	
580 Office Supplies	60.59	12.00	48.59	
585 Postage & Shipping	67.25	130.06	-62.81	
595 Software & Subscriptions	167.94	-9.00	176.94	
599 Web Infrastructure	3,181.37	2,597.35	584.02	
600 Small Equipment (under capitalization threshold)	346.30	-6.62	352.92	
605 Staff Meals (non-Travel)	176.95		176.95	
615 Telephone	50.00	247.98	-197.98	
Total 540 Operations	£ 8,753.17	£ 7,181.81	£ 1,571.36	
650 Travel		147.39	-147.39	
651 Airfare	1,189.52	750.57	438.95	
652 Lodging		1,558.34	-1,558.34	
653 Public Transportation	253.34	1,392.33	-1,138.99	
654 Ride Sharing, Taxis, Other Transport	412.97		412.97	
655 Travel Event Registration	1,032.70		1,032.70	
656 Travel Meals	449.35	1,579.98	-1,130.63	
Total 650 Travel	£ 3,337.88	£ 5,428.61	-£ 2,090.73	
700 Grant Transfer to US	53,106.22	59,769.06	-6,662.84	
701 Passthrough Dana		1,377.24	-1,377.24	<i>See note 2 below</i>
703 Gifts	100.00		100.00	

704 Rent or Lease of Buildings	350.00		350.00	
Total Expenditures	£ 212,075.86	£ 197,405.57	£ 14,670.29	
Net Operating Revenue	-£ 21,579.46	-£ 11,304.31	-£ 10,275.15	<i>See note 1 below</i>
Net Revenue	-£ 21,579.46	-£ 11,304.31	-£ 10,275.15	
Dharmachakra				
Statement of Financial Position				
As of December 31, 2023				
	Total			
	As of Dec 31, 2023	As of Dec 31, 2022 (PY)	Change	
ASSETS				
Current Assets				
Bank Accounts				
101 Cooperative Bank Checking	34,143.89	53,403.56	-19,259.67	
102 Santander Checking 1	110.00	70.00	40.00	
103 Santander Checking 2	1,015.50	3,940.00	-2,924.50	
105 Paypal - FBA UK	1,542.27	2,172.86	-630.59	
107 Paypal - TBCO UK	1,576.80	841.80	735.00	
109 Stripe Clearing	124.05	168.58	-44.53	
111 Transferwise Clearing	0.00	0.00	0.00	
Total Bank Accounts	£ 38,512.51	£ 60,596.80	-£ 22,084.29	
Other Current Assets				
133 Payroll Clearing	-1,077.85		-1,077.85	
135 Deposits in Transit (Cooperative Bank)	3,465.00	713.00	2,752.00	
Total Other Current Assets	£ 2,387.15	£ 713.00	£ 1,674.15	
Total Current Assets	£ 40,899.66	£ 61,309.80	-£ 20,410.14	

Fixed Assets				
181 Computers	6,785.74	6,785.74	0.00	
185 Accumulated depreciation	-3,247.32	-2,208.21	-1,039.11	
Total Fixed Assets	£ 3,538.42	£ 4,577.53	-£ 1,039.11	
TOTAL ASSETS	£ 44,438.08	£ 65,887.33	-£ 21,449.25	
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
240 Payroll Liabilities				
243 Payroll Tax Payable	573.24	746.20	-172.96	
244 National Insurance	1,277.16	348.29	928.87	
245 Retirement Benefits Payable	-560.18	65.52	-625.70	
Total 240 Payroll Liabilities	£ 1,290.22	£ 1,160.01	£ 130.21	
Total Other Current Liabilities	£ 1,290.22	£ 1,160.01	£ 130.21	
Total Current Liabilities	£ 1,290.22	£ 1,160.01	£ 130.21	
Total Liabilities	£ 1,290.22	£ 1,160.01	£ 130.21	
Equity				
300 Equity & Shared Capital	0.00	0.00	0.00	
310 Unrestricted Net Assets	64,727.32	76,031.63	-11,304.31	
Net Revenue	-21,579.46	-11,304.31	-10,275.15	
Total Equity	£ 43,147.86	£ 64,727.32	-£ 21,579.46	
TOTAL LIABILITIES AND EQUITY	£ 44,438.08	£ 65,887.33	-£ 21,449.25	
Notes				

1. *The reduction in grant income received in 2023 - and the larger than expected yearly loss contributing to a temporary reduction in our reserves - is largely accounted for by the mistaken non-payment in Q4 of £20,000 by a major grant partner (FutureDharma Fund). We expect to recoup this money early in 2024.*

Additionally, a portion of our annual grant from FutureDharma Fund (\$10,000) was made direct to our US non-profit via an individual US-based donor. This income (which never passed through our UK bank accounts) is not included here.

2. *For some years we carried a previously received amount of donated income intended as a restricted use grant to support practice among People of Color practicing within our Buddhist community. This was eventually disbursed in 2023 via the London Buddhist Centre (the receiving UK Charity) and therefore is absent from 2023's accounts as a carried amount.*

3. *In response to more focussed internal work on relevant areas, Dharmachakra continued to take on less client work, particularly in the form of external web development.*

4. *In 2023 Dharmachakra expanded our team and raised individual salary levels to ensure future compliance with new living wage requirements. This increased expenditure on payroll. We also commissioned new, one-off pieces of creative work (writing) and paid out more to teachers on our online platform (as a result of a more successful year on that front), which increased professional fees.*



DHARMACHAKRA ANNUAL REPORT 2023

FINANCIAL REVIEW

Dharmachakra made a budgeted loss of £ 21,579 in 2023. This was largely due to an underpayment of one quarter's worth of grant income, which will be restored in 2024.

In terms of the underlying business, the trustees agreed to spend from reserves to meet increased employment costs due to our larger team; and to help absorb the impact of reduced grant income and ongoing sterling weakness in relation to the US dollar. Pleasingly, we were able to increase our donated income to meet much of the expected impact.

Income for the period amounted to **£190,496**.

This represents an increase of £4,935 against 2022 results, an increase of 2.65%.

PRINCIPLE FUNDING SOURCES

Income includes **£76,848** in the form of grants over 12 months.

*During the previous year the figure was £98,000, so this represents a significant reduction in grant income. **N.B.** This is accounted for by two factors:*

- 1. A grant partner in the UK (FutureDharma Fund) made an error and underpaid us for the year by £20,000. This will be retrospectively paid in March 2024.*
- 2. A portion of our annual grant from FutureDharma Fund (\$10,000) was made direct to our US non-profit via an individual US-based donor. This income (which never passed through our UK bank accounts) is not included here.*

As well as grants the principle funding for the charity was in the form of donations (including some UK Gift Aid), direct and in relation to live events totalling **£104,353**.

The equivalent figure for 2022 was £76,075. This represents a significant increase in donation income of around 37%.

We also derived income from client work, including web hosting. In 2023 this was worth **£8,389**.

The equivalent figure for 2022 was £12,026. This represents a fall of around 30%.

In response to more focussed internal work on relevant areas, Dharmachakra continued to take on less client work, particularly in the form of external web development.

INVESTMENT POLICY

Dharmachakra no longer operates an investment account.

RESERVES POLICY

The trustees continue with their intention, where possible, to hold the recommended level of reserve for a charitable organization (at least three months' worth of expenditure). The amount held at the end of the year allows this intention to move towards implementation as policy going forward. Reserves, and the investment of portions of the reserve, will be regularly reviewed by the trustees, together with a general review of the financial position of the charity.

At the end of 2023, reserves stood at **£43,147**.

This represents 2.5 months of expenditure.

It is a reduction of £21,579 on the previous year. The larger than expected yearly loss contributing to this temporary reduction in our reserves is largely accounted for by the unexpected non-payment of £20,000, a significant part of our grant income (see above). We expect to recoup this money in March 2024.

LOANS

There are no outstanding loans.

OBJECTIVES AND ACTIVITIES

The overall objective of Dharmachakra is the advancement of the Buddhist religion. In particular its aims are:

- To encourage members and others to live in accordance with the teachings of the Buddha.
- To publish literature and other material in furtherance of these aims.
- To support members of the Triratna Buddhist Order and other duly ordained Buddhists at the discretion of the board of the charity.
- In furtherance of the above purpose, but no further or otherwise, the charity shall maintain close communication with, and work under the guidance of, the Triratna Buddhist Order in cooperation with other groups with the same objects.

To achieve these aims the charity archives, and makes available for free download, both text and audio files of Buddhist teachings. It also runs a web publishing platform and social media spaces to further support connections within our community.

ACHIEVEMENTS AND PERFORMANCE 2023

This year, renewing Dharmachakra's project The Buddhist Centre online (www.thebuddhistcentre.com) for mobile devices was the main focus of new work, culminating in the complete relaunch of the platform. This represented a milestone for both Dharmachakra and the wider Triratna community.

As part of this, we managed to grow our successful donation-based live events platform after some post-pandemic shrinkage in previous years. Given the huge competitive market for online events that has grown up, we think this bodes well for the future as Dharmachakra has become known for its range of events and their general excellence. We hope to capitalize on this to further boost revenue in the next few years.

As a charity that places a lot of emphasis on the ethical principles of Buddhist 'Right Livelihood' we remain immensely grateful for the opportunity to offer meaningful work to others who feel connected to these same values, and to support many Buddhist teachers who offer their inspiration and wisdom to others online so generously and so consistently.

PLANS FOR THE FUTURE (2023)

We are proud over the past two years to have developed for our international community an integrated and modern platform that brings together all our sites and services with a shared design language and greatly improved ease of use.

New version of both Free Buddhist Audio and The Buddhist Centre Online should represent the Triratna Buddhist Order and Community much more effectively online.

Our server project will continue to support more experienced webmasters in developing their own websites and social web spaces – and help less experienced situations maintain a secure, virus-free online environment when it comes to their presence online.

Financially, we will push on with our successful efforts to make Dharmachakra more financially independent in ways that would allow us to grow the team further and offer more value to our community and our funding partners. We look forward to another year of challenge and of *dana* (Sanskrit: 'generosity') as the most effective response.

TRUSTEES IN 2023

David Creighton (Chair), Madeleine Cadwallender (Secretary), Jim Neidhart, Bettye Pruitt, Tim Holden, Sean Boland.