

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

SUKYO MAHIKARI

CHARITY REGISTRATION No: 298721

Castle View Accounting Ltd
New Barn
Mudberry Lane
Bosham
Chichester
West Sussex
PO18 8TS

SUKYO MAHIKARI

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SUKYO MAHIKARI

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	298721
DATE OF REGISTRATION	7th February 1988
START OF FINANCIAL YEAR	1st April 2021
END OF FINANCIAL YEAR	31st March 2022
TRUSTEES AS AT 31ST MARCH 2022	Simon Bailey Sidney Chang Stephen Choo Virginia Fox Lamia Tully Vui Hau Yuen

The existing trustees appoint any new trustees following the provisions laid out in the organisation's governing instrument.

LEGAL STATUS	Unincorporated Charity
GOVERNING INSTRUMENT	Trust Deed Dated 7th February 1988
OBJECTS	To advance religion in accordance with the teaching and practice of Sukyo Mahikari
REGISTERED ADDRESS	London Mahikari Centre 20 Suffolk Road South Norwood London SE25 6EG
PRIMARY BANKERS	Barclays Bank plc Croydon Branch 1 Northend Croydon Surrey CR9 1SX
SOLICITORS	Peter Kingshill & Co 7 Liverpool Terrace Worthing West Sussex BN11 1TA
INDEPENDENT EXAMINERS	Castle View Accounting Ltd New Barn Mudberry Lane Bosham Chichester West Sussex PO18 8TS

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/ members of Sukyo Mahikari on the accounts for the year ended 31st March 2022 set out on pages 7 to

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 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's statement

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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities 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

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Date: 17th January 2023

SUKYO MAHIKARI

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

The Trustees of Sukyo Mahikari have pleasure in submitting their Annual Report and Accounts for the year 1st April 2021 to 31st March 2022.

Objectives of Sukyo Mahikari

Sukyo Mahikari is a charity that exists for the advancement of world peace and the happiness of mankind, for the worship of God, Creator of the universe, and to guide humanity in the establishment of a universal civilisation based on a synthesis of religion and science.

Attendance & Membership

The activities of the charity have been undertaken to meet the objectives of the charity and for the benefit of its members and the wider community.

With the gradual lifting of the Covid 19 restrictions, our official Centres in South London, Oxford and Reading remained open throughout the year. Risk Assessments were carried out and the appropriate changes were made to comply with Government guidelines on hygiene and safe social distancing. Visits to the Centre were by appointment only and all visitors were required to follow strict hygiene practices supervised by staff members. The Trustees were greatly encouraged by the increased attendance at the centres of both members and visitors.

Despite the gradual lifting of the Covid 19 restrictions, the Trustees and staff members worked tirelessly to maintain regular communications with members through emails, newsletters, telephone calls and group online meetings to support members in their practice and to promote dialogue. In addition, members were encouraged to deepen their understanding of Sukyo Mahikari teachings and the practice of the art of True Light through these online meetings and spiritual guidance given by ministers.

Monthly ceremonies at the South Norwood Centre were held throughout the year with restricted numbers and strict adherence to Government guidelines on hygiene and social distancing. A total of five primary courses were held (in May, July, September, November 2021 and January 2022) and resulted in sixteen new members. In addition, nine members attended the intermediate course for the first time, which was held in Luxembourg in August 2021, with a further nine members reattending the course.

We continued to participate in Faith Action, the Places of Worship Taskforce sponsored by the Ministry of Housing, Communities and Local Government with the following remit:

"The goal of the taskforce is to develop a plan to enable the phased and safe reopening of places of worship when the evidence shows it is the right time to do so". In addition to their role on the taskforce, Faith Action have been asked to make use of their national network of faith-based and community organisations to gather additional input for government consideration on the challenges the priorities of different faith groups and strengthen the capacity of faith-based organisations to respond to the impact of the pandemic.

Despite the economic hardship faced by everyone, the level of donations received from members has increased, which enabled the refurbishment project of the 30-year-old kitchen and other maintenance projects to be completed. The Trustees wish to extend their deep appreciation to all members and visitors for their support in another challenging year.

Association Internationale Sukyo Mahikari

Our organisation is a member of the Association Sukyo Mahikari Europe-Afrique A.S.B.L, and the trustees attended several online meetings and physical meetings of the association throughout the year. Members from the UK also participated in special interest group seminars held in the UK and other countries through online seminars for youth, scholars and businesspeople.

In view of the challenging times due to Covid 19, the Trustees maintained their Membership Fees and financial donations to the Association Sukyo Mahikari Europe-Afrique A.S.B.L to support their activities in the region which is complementary to our objectives.

SUKYO MAHIKARI

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31ST MARCH 2022

Trustees' Responsibilities

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice GAAP).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charity will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. 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 on 11th January 2023

Signed on their behalf by Trustee



Printed Name:

Stephen Choo

SUKYO MAHIKARI

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £	TOTAL 2021/22 £	TOTAL 2020/21 £
INCOME AND ENDOWMENTS FROM:						
Donations & Legacies	3a	192,931	-	-	192,931	166,014
Activities for Generating Funds	3b	6,439	-	-	6,439	11,178
Investment Income	3c	26	-	-	26	485
TOTAL INCOME		199,396	-	-	199,396	177,677
EXPENDITURE ON:						
Charitable Activities	4a	197,079	-	-	197,079	188,188
Governance Costs	4b	900	-	-	900	850
TOTAL EXPENDITURE		197,979	-	-	197,979	189,038
NET INCOME/(EXPENDITURE)		1,417	-	-	1,417	(11,361)
Total Funds Brought Forward		373,031	-	35,000	408,031	419,392
TOTAL FUNDS CARRIED FORWARD		374,448	-	35,000	409,448	408,031

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 9 to 15 form part of these financial statements.

SUKYO MAHIKARI

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 31-Mar-22 £	Total 31-Mar-21 £
Fixed Assets						
Tangible Assets	2	93,678	-	-	93,678	91,720
Current Assets						
Stock		2,180	-	-	2,180	2,222
Cash at Bank and in Hand	7	289,754	-	35,000	324,754	258,356
Debtors & Prepayments	8	52,872	-	-	52,872	84,960
Total Current Assets		344,806	-	35,000	379,806	345,538
Creditors: amounts falling due within one year	9	64,036	-	-	64,036	29,227
NET CURRENT ASSETS/(LIABILITIES)		280,770	-	35,000	315,770	316,311
TOTAL ASSETS less current liabilities		374,448	-	35,000	409,448	408,031
Creditors: Long Term Liabilities	10	-	-	-	-	-
NET ASSETS/(LIABILITIES)		374,448	-	35,000	409,448	408,031
Funds of the Charity						
General Funds		374,448	-	-	374,448	373,031
Designated Funds	5	-	-	-	-	-
Restricted Funds	6	-	-	35,000	35,000	35,000
Total Funds		374,448	-	35,000	409,448	408,031

Approved by the Trustees on 11th January 2023

Signed on their behalf by Trustee  

Printed Name:

Stephen Choo

Simon Bailey

SUKYO MAHIKARI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES

Basis of Preparation & Assessment of Going Concern

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP - FRS102) and the Charities Act 2011.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Incoming Resources

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability

Incoming Resources with Related Expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

Grants and Donations

Grants and Donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Donations and Membership Fees

Donations and membership fees are made to the Regional Centre in Luxembourg and the International HQ in Takayama, Japan. These Centres provide support for the activities in England and Wales through teachers and training material, and members in England and Wales pay regular visits to these other Centres.

Tax Reclaims on Donations and Gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Contractual Income and Performance Related Grants

This is only included in the SOFA once the related goods or services has been delivered.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts.

Investment Income

This is included in the accounts when receivable.

SUKYO MAHIKARI

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES (continued)

Expenditure and Liabilities

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance Costs

Include costs of the preparation and examination of statutory accounts, the costs of the trustees meetings and cost of any legal advice to trustees on governance or constitutional matters.

Grants with Performance Conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

Grants Payable without Performance Conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources, eg allocating property costs by floor areas, or per capital employed, staff costs by the time spent and other costs by their usage.

Unrestricted Funds

Unrestricted funds can be used for the general objectives of the charity. The movements of the unrestricted funds are given in the Statement of Financial Activities.

Restricted Funds

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

Designated Funds

Designated Funds are funds set aside by the trustees from the unrestricted general funds which have been ring fenced for particular purposes or projects.

Stock

Stock consists of item purchased in order to generate profits to further the Charity's objects. Stock represents the unsold reading materials purchased from Japan and are valued at the lower of costs or net realisable value.

Fixed Assets

Fixed Assets are capitalised if they can be used for more than one year and cost at least £1,000. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets over their estimated useful lives. The rates applied per annum are as follows:

Land & Buildings	2% - Straight Line Basis
Property Refurbishment	10% - Straight Line Basis
Furniture & Equipment	25% - Straight Line Basis

SUKYO MAHIKARI

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

2. TANGIBLE FIXED ASSETS

		Land & Buildings £	Furniture & Equipment £	TOTAL 2021/22 £
Cost	01-Apr-21	206,862	49,426	248,885
Additions		-	12,679	12,679
Cost at	31-Mar-22	<u>206,862</u>	<u>62,105</u>	<u>261,564</u>
Depreciation	01-Apr-21	123,942	40,626	155,179
Charge		5,884	4,837	10,721
Depreciation at	31-Mar-22	<u>129,826</u>	<u>45,463</u>	<u>165,900</u>
Net Book Value	31-Mar-22	<u>77,036</u>	<u>16,642</u>	<u>93,678</u>
Net Book Value	31-Mar-21	82,920	8,800	91,720

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st March 2022 : None

31st March 2021 : None

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NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

3. INCOME AND ENDOWMENTS

Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £	TOTAL 2021/22 £	TOTAL 2020/21 £
a) Donations & Legacies					
Gifts & Donations	192,931	-	-	192,931	166,014
	192,931	-	-	192,931	166,014
b) Activities for Generating Funds					
Publication Sales	6,439	-	-	6,439	11,178
	6,439	-	-	6,439	11,178
c) Investment Income					
Bank Interest	26	-	-	26	485
	26	-	-	26	485

4. EXPENDITURE ON:

Notes	Unrestricted Fund £	Designated Fund £	Restricted Fund £	TOTAL 2021/22 £	TOTAL 2020/21 £
a) Charitable Activities					
Depreciation Expenses	10,721	-	-	10,721	9,389
Gifts & Donations	49,009	-	-	49,009	45,890
Insurance Costs	3,003	-	-	3,003	2,673
Printing, Postage & Stationery	6,630	-	-	6,630	7,820
Rent & Rates	4,767	-	-	4,767	6,806
Repairs & Maintenance	1,314	-	-	1,314	2,551
Staff Costs	110,959	-	-	110,959	104,377
Sundry Expenses	1,233	-	-	1,233	535
Telephone Costs	1,910	-	-	1,910	3,339
Travel & Subsistence	4,536	-	-	4,536	2,063
Utility Costs	2,997	-	-	2,997	2,745
	197,079	-	-	197,079	188,188
b) Governance Costs					
Independent Examiner's Fee	900	-	-	900	850
	900	-	-	900	850

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NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

5. DESIGNATED FUNDS

The Charity held no Designated Funds during this or the previous financial year.

6. RESTRICTED FUNDS

	Balance 01-Apr-21 £	Income £	Expenditure £	Transfers £	Balance 31-Mar-22 £
Endowment Fund	35,000	-	-	-	35,000
	35,000	-	-	-	35,000

	Balance 01-Apr-20 £	Income £	Expenditure £	Transfers £	Balance 31-Mar-21 £
Endowment Fund	35,000	-	-	-	35,000
	35,000	-	-	-	35,000

Restricted Funds represents an initial endowment from our European HQ to establish Sukyo Mahikari.

The Restricted Funds held are wholly represented by the Charity's cash reserves.

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NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

7. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 31-Mar-22 £	Total 31-Mar-21 £
Cash at Bank and in Hand	289,754	-	35,000	324,754	258,356
	289,754	-	35,000	324,754	258,356

8. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 31-Mar-22 £	Total 31-Mar-21 £
Gift Aid Tax Recoverable	47,992	-	-	47,992	79,290
Sundry Debtors	4,880	-	-	4,880	5,670
	52,872	-	-	52,872	84,960

9. CREDITORS ACCRUALS AND DEFERRED INCOME: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 31-Mar-22 £	Total 31-Mar-21 £
Independent Examiner's Fee	900	-	-	900	850
Sundry Creditors	63,136	-	-	63,136	28,377
	64,036	-	-	64,036	29,227

10. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

The Charity held no long term liabilities during this or the previous financial year.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 31-Mar-22 £	Total 31-Mar-21 £
Tangible Fixed Assets	93,678	-	-	93,678	91,720
Net Current Assets	280,770	-	35,000	315,770	316,311
Long Term Liabilities	-	-	-	-	-
TOTAL FUNDS	374,448	-	35,000	409,448	408,031

SUKYO MAHIKARI

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2022

12. STAFF COSTS AND NUMBERS

	TOTAL 2021/22 £	TOTAL 2020/21 £
Gross Wages and Salaries	97,900	92,024
Employer's National Insurance Costs	5,404	4,991
Pension Contributions	7,655	7,362
	<u>110,959</u>	<u>104,377</u>

Employees who were engaged in each of the following activities:

	TOTAL 2021/22	TOTAL 2020/21
Activities in furtherance of organisation's objects	3	3

The Charity operates a PAYE scheme to pay all members of employed staff and no employees received emoluments in excess of £60,000. (2020/21:None)

13. PAYMENTS TO TRUSTEES AND RELATED PARTY TRANSACTIONS

The only payments made to the Trustees consisted of reimbursements of expenses incurred in furthering the Charity's objects and no direct benefits were received by the Trustees during the financial year (2020/21:None).

No other payments were made to trustees or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them (2020/21:None).

14. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

15. RESERVES POLICY

The Trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Trustees will endeavour not to set aside funds unnecessarily.

16. PUBLIC BENEFIT

The Charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.