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SHINNYO-EN, U.K.
(A COMPANY LIMITED BY GUARANTEE)
ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

COMPANY NO. 2282524
REGISTERED CHARITY NO: 299965

**SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021**

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

The charity is a charitable company limited by guarantee. It is governed by a memorandum and articles of association.

Shinnyo-en

Shinnyo-en was founded in Japan in 1936 by Reverend Shinjo Ito and is a Buddhist Order devoted to the practice of the teachings of the Buddha as handed down in the Great Nirvana Sutra, which is regarded as the ultimate distillation of the thinking of the Buddha. Through its founder, the Order can trace its spiritual lineage to the beginnings of the Buddhist teaching.

With the exception of a small number of Bishops and Ministers who provide leadership and spiritual guidance, the membership of Shinnyo-en consists of lay men and women leading normal workday lives who endeavour to follow and apply the teachings of the Buddha in the context of the present day living environment. With its emphasis on personal discipline and spiritual development, and on service to the community at large, the Shinnyo teaching strikes a responsive chord among those seeking fulfilment in mind and spirit.

As part of their training and spiritual development, Shinnyo practitioners undertake the three practices of Gohoshi, or voluntary service; Otasuke, or missionary endeavour; and Kangi, or the making of offerings.

Objects and Activities

Shinnyo-en, U.K. was established in 1988 to further the propagation of the Shinnyo-en doctrine in the United Kingdom. To help accomplish its mission, the Company works closely with the founding Shinnyo-en organisation in Japan and with other overseas Shinnyo-en entities. For the purposes of the Charities Act 2011, the Directors of the Company are regarded as trustees.

The principal object of the Company is the advancement and promotion of religion by the extension of the spirit and the knowledge of the teachings of the Buddha through the precepts and teachings of the Shinnyo-en doctrine. Each year our trustees review our 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.

Shinnyo-en activities within the United Kingdom are supervised by the Branch Manager, with guidance from the founding Shinnyo-en organisation in Japan. These activities comprise a full liturgy of services, meetings, programmes of training and instruction, as well as spiritual guidance for the practitioners and the propagation of the Shinnyo teaching within the United Kingdom. There is also basic meditation training at the temple for the general public as well as monthly evening programmes online.

Shinnyo-en does not have formal policies designed to promote the Shinnyo teaching. Given that, normally, new entrants join by way of introduction, it is considered that the impression created by the individual Shinnyo practitioner through example and personal behaviour is the most potent influence on those in search of spiritual development.

In furtherance of their commitment to Gohoshi, or voluntary service, practitioners assist with the day-to-day activities of Shinnyo-en, U.K. and with the upkeep of The Manor House, which is the centre for Shinnyo-en activities in the United Kingdom.

SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021
Continued

Fundraising Activities

The Foundation does not carry out any fundraising activities. The company does not solicit funds other than on a voluntary basis or assistance from the general public, either directly or indirectly, nor does it engage in any form of commercial activity.

Achievements and Performance

The ultimate objective of all Shinnyo-en activities is the spiritual development of the individual practitioners, to help in his or her quest for enlightenment, and all activities in the United Kingdom during the year under review have been directed towards this end. These activities were supervised by the Branch Manager and co-ordinated by experienced followers and together with representations of the Youth Association (age range 16 to 36 years).

Due to the continuation of the Covid-19 coronavirus pandemic, Shinnyo-en, UK decided to close the temple and cancel all activities physically held at the temple during the period of Step1-Step3 of the "Roadmap" announced by the government in February 2021. Members were encouraged to participate in services online and participate in sesshin meditation on the telephone. During this period all temple office staff were on duty, however a minimum number of office staff worked at the temple to conduct services and carry out daily administration, otherwise staff were working at home remotely.

With the announcement of Step4 of the "Roadmap" out of lockdown to go ahead from 19th July 2021, on 1st August 2021 the temple gradually resumed activities such as sesshin meditation training, services with members' participation at the temple for private prayer in line with government guidelines.

Due to the situation with the Coronavirus, the Shinnyo-en, UK was unfortunately unable to hold the meditation and lecture programme for locals in 2021. However, Shinnyo-en UK decided to hold the annual Shinnyo Lantern Floating Festival that aimed to create feelings of connectedness with loved ones who are physically far from us and aiming to kindle an optimistic light of hope in ourselves and others. The Shinnyo Lantern Floating Festival 2021 was held from Sept 22nd to 25th to spread participants number over 4 days. The event was highly successful to attract 1,300 attendees at the temple and also over 3,000 online viewers from 20 countries including access to the recorded events.

A new website for UK members was created and was launched on 1st January 2022. This new website gives members more features, friendly access and to keep up to date with UK temple activities.

With strong support from members the income of 2021 from members was stable in spite of the temple's physical closure for half the year and the expenses stayed low.

The Trustees wish to place on record their most sincere appreciation for the guidance and support received throughout the period under review from the Head of the Order, Shinnyo Keishu, and for her never failing interest in the work of Shinnyo-en, U.K.

Financial Review

Shinnyo-en, U.K. depends on donations and gifts from Shinnyo followers in the United Kingdom to cover its day-to-day outgoings. The founding Shinnyo-en organisation in Japan meets the operational costs of the temple and if or when heavy expenditure is anticipated, on the repair and maintenance of the company property. The Company benefits considerably from voluntary service provided by followers, in particular with respect to the upkeep of the Manor House buildings and grounds.

In the year ended 31st December 2021, Shinnyo-en UK achieved a small increase in donations from followers in spite of the limited services and activities that were offered to its followers during the Covid-19 government restrictions. The charity reports a deficit of Income over Expenditure for the year of £8,624 compared with a surplus of £64,319 for the previous year. This is as a result of the 19.1% decrease in its Subvention income received from Shinnyo-en Japan. Shinnyo-en UK also received a full year's rental income from the short-term letting of the Lodge House and a small rental income from the letting of the flat in Coach House. Rental income is disclosed net of expenditure in the year.

SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021
Continued

Total Expenditure in the year increased slightly by £13,294 to £467,691. This is highlighted in Note 3, where there was a decrease in restricted expenditure of £20,997 but an increase in unrestricted expenditure of £34,291.

As at the balance sheet date, the net current assets of £605,372 are considered sufficient to enable the charity to continue prior to receiving further subvention income.

Reserves Policy

Shinnyo-en UK Reserves Policy is to maintain sufficient level of reserves to enable normal day to day outgoings during the financial year. The trustees consider that the ideal level of reserves as at 31st December 2021 would be £428,600 which is the expected annual Operations of Temple costs as stated in Note 3 to the accounts.

Shinnyo-en UK reported a General Reserve funds of £783,199 as stated in Note 10 to the accounts. The charity has reserves of £759,949 after deducting tangible fixed assets held for charity use. Hence, with total unrestricted expenditure expected to be maintained at a similar level, this is considered sufficient to meet budgeted costs and the normal day to day outgoings during the current financial year commencing 1st January 2022.

Plans for Future Periods

Trustees have been in discussion on a regular basis with the temple staff to monitor and ensure we remain in compliance with ongoing government guidance and are discussing monthly to update potential plans to reopen and resume temple activities in accordance with the developments in the government guidelines and restrictions relating to the Covid-19 Coronavirus.

To respond to the government announcement on 24th February of ending legal restrictions in England the Shinnyo-en UK will gradually remove internal restrictions and resume more activities after having a few months of a transition period. Considering many requests from local people, it is planned that the temple will open to the public in May 2022 onwards and offer lecture programmes for new members.

Shinnyo-en, UK is delighted to be planning for the 9th year running of the Shinnyo Lantern Floating Festival in September 2022, and it is anticipated that over 1,000 people will be at the temple during 3-days period. The founding organisation, Shinnyo-en Japan, will be funding this event by way of subvention income totalling £40,000 which is similar to the income received in April 2021.

Going Concern

The Trustees believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the founding organisation, Shinnyo-en Japan. The Trustees understand that Shinnyo-en Japan will continue to support the charitable company by providing Subvention income to enable Shinnyo-en, UK to continue its charitable operations as a going concern for the foreseeable future.

Structure, Governance and Management

Shinnyo-en, UK is governed by a memorandum and articles of association.

Directors are appointed by the Board, in consultation with the founding Shinnyo-en organisation in Japan. A majority of the members of the Board must at all times be resident in the United Kingdom. Resident Ministers were previously appointed as directors, and although changed on a regular basis, they were familiar with the work of the organisation, and encouraged to be aware of their responsibilities of governance.

SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021
Continued

Other directors are normally selected from the more experienced followers, who again have a working knowledge of the organisation, but who may require more induction with the role they are undertaking from a regulatory and legal viewpoint.

The organisation was managed on a day to day basis throughout the year by the Branch Manager, Mr Shohei Nishino who is also the Company Secretary. The staff consists of four full-time employees and one part-time staff, who reported to the Board of Directors and the founding Shinnyo-en organisation in Japan.

The Board of Directors have assessed the major risks to which the organisation is exposed, in particular those related to the operations and finances of the organisation and are satisfied that systems are in place to mitigate their exposure to risk. Procedures are in place to ensure compliance with health and safety of staff and followers and disabled access to the Manor House.

Public Benefit Trust

Shinnyo-en, UK meets the definition of a public benefit entity under FRS 102. The Trustees consider that the aims and objectives of the charity are able to deliver a public benefit and have given due regard to Public Benefit Guidance published by the Charity Commission.

Shinnyo-en Youth Association for U.K.

The purpose of the Youth Association is to:-

- 1) Nurture the faith of the younger generation who are already practicing the teaching.
- 2) Create a platform to find answers to their challenges.
- 3) Create an Environment to be more welcoming for newcomers/beginners.
- 4) Strengthening relationships with youth from other faiths.

The activities organised by the Shinnyo-en, U.K. youth will be connected to the above main objectives.

Legal and Administrative Information

FULL NAME:	SHINNYO-EN, U.K.
GOVERNING DOCUMENT:	Memorandum and Articles of Association (as amended to 24th September 1994)
MODE OF INCORPORATION:	Private Limited Company (Limited by Guarantee) Incorporated 1st August 1988 Registered Number: 2282524 Entered on the Central Register of Charities maintained by the Charity Commissioners 31st August 1988 Registered Number: 299965
DIRECTORS/TRUSTEES:	Rev. Koji Sugiyama (Chairman) Mr. Kenneth White Mr. Rodney D. Ballard Mr. Vatroslav P. Popovic Mr Charles Ross Day

SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021
Continued

Legal and Administrative Information (continued)

SECRETARY: Mr Shohei Nishino

BRANCH MANAGER: Mr Shohei Nishino

REGISTERED OFFICE: The Manor House
Woodstock Lane North
Long Ditton
Surrey KT6 5HL

AUDITORS: Couch Bright King & Co
Chartered Accountants
First Floor, Shropshire House
179 Tottenham Court Road
London W1T 7NZ

SOLICITORS: Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

Stone King LLP
28 Ely Place
London EC1N 6TD

BANKERS: Barclays Bank plc
Kingston Business Centre
Surbiton Branch
81-83 Victoria Road
Surbiton
Surrey KT6 4PD

SHINNYO-EN, U.K.
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021
Continued

Fixed Assets

The movements in tangible fixed assets for the year are shown in Note 6 of these Financial Statements.

Directors' Responsibilities for Preparing the Financial Statements

The trustees (who are also directors of Shinnyo-en, U.K. for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- as directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Couch Bright King & Co were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 27th 2022.

July



Mr Shohei Nishino
Secretary

SHINNYO-EN, U.K.
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2021

		2021 £	2020 £
Income			
<i>Donations</i>		159,150	157,918
<i>Charitable activities:</i>			
Operation of Temple	240,000		300,000
Annual Events and Activities			
- Interfaith Friends for Change	-		10,000
- Funds for Education	-		6,000
- Funds for Lantern Floating Ceremony	40,000		30,000
	-----	280,000	-----
			346,000
<i>Other trading activities</i>			
Chiryu Gakuin Dharma Programme	1,076		476
Publications and Devotional Material	1,640		1,601
Lodge House - Short Term Net Rental Income	16,307		12,721
Coach House - Short Term Net Rental Income	894		-
	-----	19,917	-----
			14,798
Total Income		459,067 =====	518,716 =====
Expenditure			
Annual events and activities	2,3	39,091	60,088
Operation of Temple	2,4	428,600	394,309
		-----	-----
Total Expenditure		467,691 =====	454,397 =====
Net (Deficit)/Surplus for the Year		(8,624)	64,319
Surplus Brought Forward		802,146	737,827
Surplus Carried Forward		£793,522 =====	£802,146 =====

Discontinued Operations

For both financial periods there were no discontinued operations.

Recognised Gains


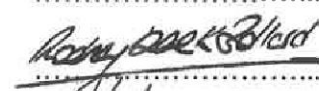

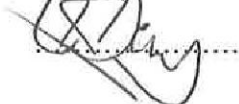
For both financial periods, there were no recognised gains or losses other than those shown above in the Income and Expenditure Account.

**SHINNYO-EN, U.K.
COMPANY NO. 2282524
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2021**

	Note	2021 £	2020 £
Fixed Assets			
Tangible Assets	6	3,388,150	3,388,105
Current Assets			
Debtors	7	9,657	10,117
Cash at Bank and in hand		625,419	631,462
		<u>635,076</u>	<u>641,579</u>
Creditors (Amounts falling due within one year)	8	<u>29,704</u>	<u>27,538</u>
Net Current Assets		605,372	614,041
Total Assets Less Current Liabilities		<u>£3,993,522</u>	<u>£4,002,146</u>
Funds			
Permanent Endowment from Parent Organisation	10	3,200,000	3,200,000
Unrestricted Funds	10	783,199	766,261
Restricted Funds	10	10,323	35,885
		<u>£3,993,522</u>	<u>£4,002,146</u>

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

Approved by the Directors on 27 July 2022

	Mr. Kenneth White	}
	Mr. Rodney Ballard	}
	Mr. Vatroslav Popovic	}
	Mr. Charles Ross Day	}
		Directors

SHINNYO-EN, U.K.
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

9

	Note	Unrestricted Funds £	Restricted Funds £	Permanent Endowment £	Total Funds 2021 £	Total Funds 2020 £
Income						
<i>Donations</i>		159,150			159,150	157,918
<i>Income from Charitable Activities:</i>						
Subvention Income from Japan						
- Special Ceremony			-		-	-
- Interfaith Friends for Change			-		-	10,000
- Funds for Education			-		-	6,000
- Funds for Youth Association Activities			-		-	-
- Funds for Lantern Floating Ceremony			40,000		40,000	30,000
- Operation of Temple		240,000	-		240,000	300,000
<i>Income from other trading Activities:</i>						
Publications and Devotional Material		1,640	-		1,640	1,601
Chiryu Gakuin Dharma Programme		1,076	-		1,076	476
Lodge House - Short Term Net Rental Income		16,307	-		16,307	12,721
Coach House - Short Term Net Rental Income		894			894	-
Other Income		-	-	-	-	-
Total income		<u>419,067</u>	<u>40,000</u>	<u>-</u>	<u>459,067</u>	<u>518,716</u>
Expenditure on:						
Charitable Activities	3,4	428,600	39,091	-	467,691	454,397
Total expenditure		<u>428,600</u>	<u>39,091</u>	<u>-</u>	<u>467,691</u>	<u>454,397</u>
Net income and net movements in funds for the year		(9,533)	909	-	(8,624)	64,319
Transfers between Funds		26,471	(26,471)	-	-	-
Reconciliation of funds						
Total Funds brought forward		766,261	35,885	3,200,000	4,002,146	3,937,827
Total Funds carried forward		<u>783,199</u>	<u>10,323</u>	<u>3,200,000</u>	<u>3,993,522</u>	<u>4,002,146</u>

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

SHINNYO-EN, U.K.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net movements in funds for the year	(8,624)	64,319
<i>Adjustments for:</i>		
Depreciation	11,812	11,821
	<u>3,188</u>	<u>76,140</u>
<i>Movements in working capital</i>		
Decrease/(Increase) in Debtors	460	12,366
(Decrease)/Increase in Creditors	2,166	(335)
Net cash generated by operating activities	<u>5,814</u>	<u>88,171</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(11,856)	(4,375)
Cash used in investing activities	<u>(11,856)</u>	<u>(4,375)</u>
Increase in cash and cash equivalents	(6,042)	83,796
Cash and cash equivalents at beginning of the year	631,462	547,666
Cash and cash equivalents at the end of the year	<u><u>625,420</u></u>	<u><u>631,462</u></u>

11

**SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

1 Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, members who constitute the charitable company are required to contribute an amount not exceeding £10. During the year the affairs of the charitable company were managed by the Directors named on page 4.

2 Accounting Policies

The principal accounting policies, all of which have been applied consistently throughout the year, are set out below:

Basis of preparation

The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Shinnyo-en, UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Functional and Presentational Currency

The company's functional and presentation currency is GBP.

Going Concern

The charity reported a cash outflow of £6,042 for the year. The Trustees have received confirmation that Shinnyo-en Japan will continue to support the charitable company by providing Subvention income to enable Shinnyo-en UK to continue its charitable operations for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

Incoming Resources and Resources Expended

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

The Charity, in common with many others of a similar size and organisation, derives a substantial proportion of its income from voluntary donations. Such donations are recognised and entered into the accounting records when they are received. Other income, such as bank interest, is accounted for on an accruals basis.

All expenditure is accounted for on accruals basis.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period of the lease.

Depreciation

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives on the following basis: -

Fixtures and Equipment	- 2 to 10 years straight line
Motor Vehicle	- 4 years straight line

No depreciation has been provided in respect of the Company's interest in freehold buildings.

12

**SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(continued)**

2 Accounting Policies (continued)

Key Judgements and Estimations

The freehold continues to be maintained to a high standard, and it is in the opinion of the directors, that the property would be worth more if it was at the end of its useful life that it originally cost, and therefore they consider no depreciation is necessary.

Pension Costs

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.

Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Foreign Currency Transactions

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Restricted Funds

The restricted are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each fund is set out in the notes to the financial statements.

Unrestricted Funds

The accumulated funds are unrestricted funds available for use at the discretion of the trustees.

Permanent Endowment Fund

The donation from the Founding Organisation in Japan, Shinnyo-en, was for the purpose of acquiring the Manor House, for its subsequent conversion into the U.K. Centre and for continued capital projects. The monies were advanced subject to the conditions set out in note 10 to the accounts.

SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(Continued)

	2021 £	2020 £
3 Charitable Activities		
Restricted Expenditure		
Education Fund	-	5,362
Youth Association Activities	239	837
Lantern Floating Ceremony	38,852	53,889
	<u>39,091</u>	<u>60,088</u>
Unrestricted Expenditure		
Property Maintenance and Running Costs	91,515	93,862
Meeting, Premises Rentals and Propagation	105	9,378
Ceremonies, Functions and Media Costs	58,695	18,134
Motor Expenses	2,478	1,950
Ministers' Costs and Welfare	146	705
Depreciation and Loss on Fixed Asset Disposals	11,752	11,821
Support Costs - See Note 4	243,251	240,980
Governance Costs - See Note 4	20,658	17,479
	<u>428,600</u>	<u>394,309</u>

4 Analysis of Governance and Support Costs

	General Support £	Governance Function £	2021 Total £	
Salaries and related costs	228,746	-	228,746	Allocated on time
General Office	14,505	-	14,505	Invoiced events
Audit Fees	-	7,650	7,650	Governance
Accountancy Services	-	6,300	6,300	Governance
Legal and Other Professional Costs	-	6,708	6,708	Governance
	<u>243,251</u>	<u>20,658</u>	<u>263,909</u>	

Analysis of Governance and Support Costs

	General Support £	Governance Function £	2020 Total £	
Salaries and related costs	228,417	-	228,417	Allocated on time
General Office	12,563	-	12,563	Invoiced events
Audit Fees	-	6,975	6,975	Governance
Accountancy Services	-	6,480	6,480	Governance
Legal and Other Professional Costs	-	4,024	4,024	Governance
	<u>240,980</u>	<u>17,479</u>	<u>258,459</u>	

SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(Continued)

5 Staff Costs	2021	2020
	£	£
Salary	199,341	198,660
Employers National Insurance	17,550	18,056
Pension Costs	11,855	11,701
	<u>£228,746</u>	<u>£228,417</u>
The average number employed during the period.	<u>6</u>	<u>6</u>

There are no employees with employee benefits in excess of £60,000. The charity operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The charge for the year was £11,855 (2020 - £11,701).

The Key Management Personnel of the charity comprise the Company Secretary, the Branch Manager and the Trustees. The total employee benefits of the key management personnel were £56,041 (2020: £56,053). The Trustees neither received nor waived any remuneration during the year (2020: £Nil). Trustees expenses paid during the year are disclosed in Note 17.

6 Tangible Fixed Assets

	Freehold Property	Fixtures Fittings & Equipment	Motor Vehicle	Total
Cost	£	£	£	£
As at 1st January 2021	3,364,900	757,901	21,000	4,143,801
Additions	-	11,856	-	11,856
Disposals	-	(604)	-	(604)
As at 31st December 2021	<u>3,364,900</u>	<u>769,153</u>	<u>21,000</u>	<u>4,155,053</u>
Depreciation				
As at 1st January 2021	-	734,696	20,999	755,695
On Disposals	-	(604)	-	(604)
Charge for the Year	-	11,812	-	11,812
As at 31st December 2021	<u>-</u>	<u>745,904</u>	<u>20,999</u>	<u>766,903</u>
Net Book Value at				
31st December 2021	<u>3,364,900</u>	<u>23,249</u>	<u>1</u>	<u>3,388,150</u>
Net Book Value at				
31st December 2020	<u>3,364,900</u>	<u>23,205</u>	<u>1</u>	<u>3,388,106</u>

SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(Continued)

	<u>2021</u>	<u>2020</u>
	£	£
7 Debtors		
Prepayments	9,657	7,794
Other Debtors	-	2,323
	<u>£9,657</u>	<u>£10,117</u>
8 Creditors (Amounts falling due within one year)		
Sundry Creditors & Accruals	24,315	22,810
Taxation and Social Security	5,389	4,728
	<u>£29,704</u>	<u>£27,538</u>

9 Analysis of Net Assets between Funds

	General Fund	Restricted Fund	Permanent Endowment	Total
	£	£	£	£
Tangible Fixed Assets	188,150	-	3,200,000	3,388,150
Cash at Bank and in Hand	615,096	10,323	-	625,419
Other Net Current Assets	(20,047)	-	-	(20,047)
	<u>783,199</u>	<u>10,323</u>	<u>3,200,000</u>	<u>3,993,522</u>

SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(Continued)

10 Statement of Funds

Permanent Endowment

This relates to monies received from the Parent Organisation in Japan, Shinnyo-en, for the purposes of acquiring the Manor House (Freehold Property from Note 5), for its subsequent conversion into the U.K. Centre and for continued capital projects.

The monies were advanced subject to the following conditions:

- i) That the said sum be applied only in payment of the purchase price of the property and other costs reasonably incurred by the Company in the connection with the purchase and refurbishment of the property.
- ii) Following the purchase of the property it will not be sold, leased, mortgaged, charged or otherwise disposed of, dealt with or in anyway encumber the whole or any part of the property or interest in it without prior written consent of Shinnyo-En.
- iii) That at the time of applying for registration of title to the property upon completion of the purchase application was made to the Registrar of H M Land Registry for the following restriction to be entered on the register against the title.

Except under an order of the Registrar, no disposition or dealing by the proprietor of the land is to be registered without the consent of the Executive Director of Shinnyo-En, Japan.

The Funds donated have been transferred to the Permanent Endowment from Parent Organisation reserve.

	At 1 January 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 December 2021 £
General Reserve	766,261	419,067	428,600	26,471	783,199
Total unrestricted funds	<u>766,261</u>	<u>419,067</u>	<u>428,600</u>	<u>26,471</u>	<u>783,199</u>
Restricted funds:					
Interfaith Friends for Change	26,471	-	-	(26,471)	000
Funds for Education	2,055	-	-	-	2,055
Funds for Youth Association Activities	7,359	-	239	-	7,120
Funds for Special Ceremony	-	-	-	-	-
Funds for Lantern Floating	-	40,000	38,852	-	1,148
Total restricted funds	<u>35,885</u>	<u>40,000</u>	<u>39,091</u>	<u>(26,471)</u>	<u>10,323</u>
Permanent Endowment	3,200,000	-	-	-	3,200,000
Total Funds	<u>4,002,146</u>	<u>459,067</u>	<u>467,691</u>	<u>-</u>	<u>3,993,522</u>

Restricted income was received in the year for the Lantern Floating Ceremony.

The Transfer from the restricted funds represents the redirection of unused restricted funds from the Interfaith activity to the unrestricted funds as agreed with Shinnyo En Japan.

The carried forward funds for each are available for future expenditure.

The unrestricted fund represents the free funds of the charity which are not designated for particular purposes, and are expendable at the discretion of the Trustees in the furtherance of the objects of the Order.

Hence, such funds may be held to finance both working capital and capital investment.

17

SHINNYO-EN, U.K.
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
(continued)

11 Capital Commitments

There are no outstanding commitments as at 31st December 2021 (2020: £Nil).

12 Leasing Commitments

At 31st December 2021, the company had annual commitments under non-cancellable operating lease payments recognised as an expense as detailed below:

	2021	2020
	£	£
Operating Leases which expire:		
Within one year	2,791	2,791
Within two to five years	1,862	4,653
	<u> </u>	<u> </u>

13 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Contingent Liabilities

There are no contingent liabilities to report.

15 Post Balance Sheet Events

There are no post balance sheet events to report.

16 Related Party Transactions

This year there were no directors provided with rent-free accommodation on The Manor House property in connection with their duties, as provided for under Clause 4 of the Memorandum of Association.

Shinnyo-en Japan, the Founding organisation provides Shinnyo-en, UK with funding by way of subvention income. For the year ended 31st December 2021, Shinnyo-en, UK received subvention income of £280,000 (2020: £346,00), which included £Nil (2020: £6,000) for Education and £Nil (2020: Nil) for Youth Association activities.

During the year, training travel expenses totalling Nil (2020: £931) were paid on behalf of trustees' wives.

17 Trustee Expenses

During the year, the travel expenses of four trustees totalling £Nil (2020: Nil) were paid for by Shinnyo-en, UK.

18 Control

The Executive Director of Shinnyo-en Japan, oversees the overall management of Shinnyo-en, UK and is the ultimate controlling party.

19 General Information

The charity is a company limited by guarantee, registered in England and Wales. The address of the registered office is The Manor House, Woodstock Lane North, Long Ditton, Surrey, KT6 5HL.

Opinion

We have audited the financial statements of Shinnyo-en, UK for the year ended 31st December 2021 which comprise the primary statements such as the Income and Expenditure Account, the Statement of Financial Position, the Statement of Financial Activities, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SHINNYO-EN, U.K.
(Continued)**

19

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6 the Trustees (who are also the directors of the charitable company for the purposes of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

20

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SHINNYO-EN, U.K.
(Continued)**

We have;

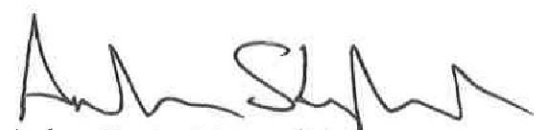
- Obtained an understanding of the legal and regularity framework applicable to the entity and how the entity is complying with that framework;
- Obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial to material misstatement, through error and fraud;
- Implemented procedures to enable the identification and testing of unusual or unexpected journal entries;
- Evaluated the assumptions and judgements used by management within significant accounting estimates and assessed if these indicate evidence of management bias;
- Tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the company's normal course of business;
- Reviewed the financial statements and tested the disclosures against supporting documentation;
- Communicated relevant matters (including those above) to all members of the audit team to ensure they understand the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Andrew Shepherd (Senior Statutory Auditor)
for and on behalf of
Couch Bright King & Co
Chartered Accountants &
Statutory Auditors

First Floor, Shropshire House
179 Tottenham Court Road
London, W1T 7NZ

29th July 2022