

Bodhisattva KMC Annual Trustees Report and Accounts

BODHISATIVA KADAMPA MEDITATION CENTRE

A company limited by guarantee

Annual Trustees Report and Financial Statements

31st December 2023

Registered charity number 1016354

Registered company number 02693733 In England and Wales

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Bodhisattva KMC Annual Trustees Report and Accounts

The Trustees, who are also directors for the purposes of company law, of Bodhisattva Kadampa Meditation Centre are pleased to present their report and financial statements for the year ended 31st December 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number 02693733 (England and Wales)
Registered Charity number 1016354
Registered office 3 Lansdowne Road Hove East Sussex BN3 1DN

Trustees:

Ms L Metherell
S A Cansdale
J Andrews

Company Secretary:

Ms M Diskin

OBJECTIVES AND ACTIVITIES

Objectives

The principal objective of Bodhisattva KMC is to promote Kadampa Buddhism according to the teachings of Tsongkhapa as taught by Venerable Geshe Kelsang Gyatso, the founder of the New Kadampa Tradition.

Principal activities

To accomplish its objectives, the Bodhisattva KMC has three principal activities.

- Providing an education programme that consists of three New Kadampa Tradition Study Programmes. These consist of drop-in classes, study programmes, retreats, day and weekend courses.
- Providing the facilities to house a Buddhist religious community of people who wish to study on the New Kadampa Tradition education programme. The centre follows and acts in accordance with the Moral Discipline Guide, (Internal Rules) of the New Kadampa Tradition IKBU.
- Running a small shop, which principally sells teaching and Buddhist religious ritual materials to facilitate the practice of Kadampa Buddhism. The shop also sells small items for fundraising.
- Running a small cafe providing food and refreshments to the centres guests and to the visiting general public

The charity has many volunteers from the local community, who are essential for the running of the charity and are involved in all aspects of it. We also offer wider opportunities to volunteer through volunteer helping visits.

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Public benefit

In exercising the powers and duties, the trustees have had due regard to the guidance on public benefit published by the charity commission. They believe that the work of the charity in promoting the Buddhist faith has clearly identifiable benefits. The charity believes that there are three important public benefits to promoting the Buddhist faith: to help people to develop their wisdom, to cultivate a good heart, and to maintain a peaceful mind. If we increase our wisdom, we will overcome the problems in our daily life, improve our relationships with others, and become of real benefit to a troubled world.

The charity offers regular courses in Buddhist philosophy, psychology and meditation, bringing personal and social benefit. These courses are accessible to the public for modest fees and everybody is welcome - Buddhist and non-Buddhist. The more advanced courses of instruction require a greater commitment of personal time from participants. The charity also maintains a year-round programme of prayers and meditation, again open to the public.

The charity also has a World Peace Cafe, small book and gift shop, staffed by sponsored people and volunteers offering vegetarian and vegan food, hot and cold drinks, books and small gifts for purchase. The charity also offers a large Peace Garden, for meditating, reading, contemplating, and for enjoying with friends and family. The Peace Garden is open and accessible to the public every day. The charity also provides an outreach programme where groups and schools can visit the centre or a teacher is provided to go out to visit the groups and schools.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Bodhisattva KMC, continued to provide Kadam Dharma to the people of East Sussex, through the three study programmes: General Programme, Foundation Programme and Teacher Training Programme. During the year, numerous day, weekend and longer courses were held at Bodhisattva KMC, which were well attended. The two Foundation Programmes, and Teacher Training Programmes continued and were also well attended.

FINANCIAL REVIEW

The financial statements are set out on pages 8 to 12. Thanks to a very generous gift from a sister KMC Centre of £189,993, just after the year end Bodhisattva KMC were able to repay the NatWest bank mortgage for the full amount of £297,193.

Financial Outcome

The charity's financial position is good with total unrestricted reserves at the end of the year of £991,992. These reserves are held to meet the charity's objectives and to assist with the new building costs. The charity had a positive cash at bank at year end of £444,903, available to meet charitable objectives in the forthcoming period. The 2023 exceptional donation lead to an surplus of £230,391 for the year to December 2023.

Reserves policy

Bodhisattva KMC is committed to using its resources in pursuit of its charitable objectives. It is also committed however to maintaining a level of reserves that is prudent to meeting on-going liabilities, meet requirements of day to day operations. It also needs sufficient reserves to protect the long-term future of Bodhisattva KMC's land and buildings.

Bodhisattva KMCs policy seeks to balance these priorities by holding a level of reserves which equates to approximately two years expenditure for the basic operations of the charity. The charitable running costs of the centre are around £190k a year. Bodhisattva KMC Trustees therefore consider the Centre to be currently financially secure. The Board of Trustees monitors the reserves quarterly and takes appropriate action if reserves fall outside the desired range.

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Risk review

The Trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and events and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are reviewed periodically to ensure that they still meet the needs of the charity.

Plans for the future

Due to the popularity of the Centre and its charitable activities, we are starting to investigate expansion of both our meditation rooms, expanding ground floor public space and adding more course guest accommodation.

STRUCTURE GOVERNANCE AND MANAGEMENT

Organisational structure and management

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Bodhisattva KMC was incorporated on 4th March 1992 and registered as a charity on 25th January 1993. Bodhisattva KMC was established under a Memorandum of Association, which describes the objects and powers of the charitable company; it is governed under its Articles of Association.

Under those Articles, the Trustees are elected by the members. The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

All members of the Trustee Board give their time voluntarily and received no benefits from the charity.

Recruitment, appointment, induction and training of trustees

The Trustee Board has established procedures for recruiting and supporting trustees, as follows:

Every candidate for election as a Director must be a Member; must have read, understood entirely and accepted the Internal Rules; and must be nominated by two other Members. No Member shall take part in the nomination of more than one candidate.

Nominations must be made in writing, and must:

- State the details that the Charity would have to file at Companies House if the candidate were appointed as a Director; and
- Be signed by the Members making the nomination; and
- Be signed by the candidate, to show his willingness to serve.

Nominations must be given to the secretary at least fourteen days before the date of the AGM.

New trustees are briefed on their major duties, which are the following:

- quietly taking an interest in the running of the Centre, especially major projects and developments, while delegating the day-to-day management of the Centre to the Administrator and maintaining good communication with the Administrator for this purpose;
 - scrutinising financial summaries such as the Annual Accounts for any entries causing concern or requiring clarification;
- and
- if it found that something was seriously wrong at the Centre, being ready to confer with fellow Trustees with a view to taking action as a Board.

Governance and decision-making

The Board of Trustees governs Bodhisattva KMC and meets not less than one time per year to discuss and review strategy, planning, development and financial matters. Day-to-day management of the organisation is delegated to the Administrative Director. She is managed by the Secretary of the General Spiritual Director of the tradition, who advises all the Kadampa Meditation Centres in the tradition.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The charity trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare financial statements for each 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 charity for that period.

In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (and related regulations);
- make judgments 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board

Name *NIKOLAS JAMES*

Signed *N. James*

Date *18/09/24*

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Independent Examiner's Report to the Trustees of Bodhisattva KMC

This is a report on the accounts of Bodhisattva KMC for the year ended 31 December 2023, which are set out on pages 8 to 12.

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.

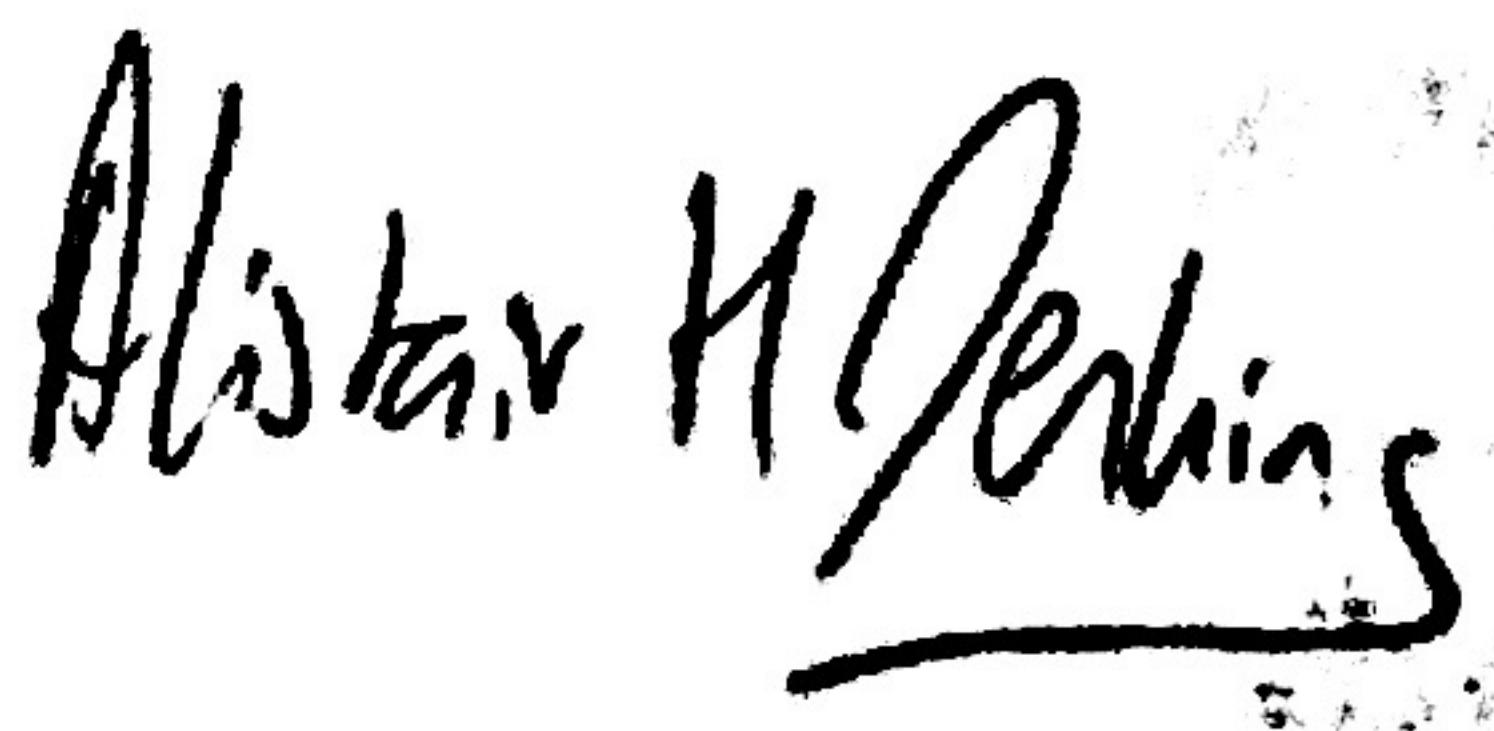
Basis of independent examiner's report

My examination was carried out in accordance with relevant general Directions of the Charities 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 on whether the accounts present a "true and fair view".

Independent examiner's statement

In the course of 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 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations 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.



Signed _____

Date 18/09/24

Alistair Jenkins
14 Shiels Drive, Filton, Bristol.

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(A Company Limited by Guarantee not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December, 2023

		2023	2022
		£	
	Notes	Unrestricted Funds	
Income from:			
Voluntary income		207,364	14,390
Activities for generating funds		31,669	23,096
Charitable activities – Accommodation		130,023	130,204
Charitable activities – Education		65,852	63,218
Total Income		434,908	230,908
Expenditure on:			
Charitable activities		193,336	197,004
Support activities		11,181	11,770
Total Expenditure		204,517	208,774
Net (Expense) / Income for the Year		230,391	22,134
RECONCILIATION OF FUNDS			
Funds brought forward			
Unrestricted funds		761,601	739,467
Net (Expense) / Income for the Year		230,391	22,134
Funds Carried Forward		991,992	761,601

The accompanying notes on pages 10 – 12 form part of these financial statements.

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(Company Limited by Guarantee not having a Share Capital)

BALANCE SHEET

As at 31 December, 2023

			2023		2022
			£		£
	Notes		Unrestricted Funds		Unrestricted Funds
FIXED ASSETS			638,180		635,916
Tangible Assets	6				
CURRENT ASSETS					
Cash at Bank		444,903		238,832	
Debtors	7	200,798		200,000	
Stock		7,647		7,647	
			653,348		446,479
CREDITORS					
Amounts falling due within one year	8	(35,693)		(38,334)	
			(35,693)		(38,334)
NET CURRENT ASSETS			1,255,835		1,044,061
CREDITORS – Amounts due after one year					
Bank Loans	9	(263,843)		(282,460)	
			(263,843)		(282,460)
NET ASSETS OF THE CHARITY			991,992		761,601
FUNDS OF THE CHARITY					
Unrestricted Income Funds		991,992		761,601	
TOTAL CHARITY FUNDS			991,992		761,601

The accompanying notes on pages 10 – 12 form part of these financial statements.

For the year ending 31 December, 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 of its accounts for the year in accordance with section 476 of the Companies Act 2006.

The Directors (Trustees) acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board:

Name & position NIKOLAS JAMES Signed N. James Date 18/09/24
DIRECTOR

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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	33% on cost
Plant and machinery	25% on cost
Freehold property	None
Improvements to property	10% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock represents items which have been purchased for resale and not yet sold, this is the stock available at the reporting date in the on site shop. The stock is valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

Accountancy	2023	2022
Depreciation - owned assets	250	250
	<u>2,095</u>	<u>10,027</u>

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NOTES TO THE FINANCIAL STATEMENTS

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the prior year. There were no trustees' expenses paid for the year ended 31 December 2021 nor for the prior year.

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2023	2022
Centre Staff	5	5

No employees received emoluments in excess of £60,000.

5. LOANS AND DONATIONS TO KMC ORGANISATIONS

The charity makes available loans to other meditation centres in line with its charitable objectives to the wider Kadampa Buddhism community. These amounts were loaned under agreement and are both interest free and repayable on demand.

As at 31 December 2023 loans with the value £200,000 remained outstanding (2022: £200,000.)

6. FIXED ASSETS

	Property	Property Improvement	Plant and Machinery	Computer Equipment	TOTAL
COST					
As at 1/12/2023	627,456	10,054	62,274	3,361	703,145
Additions			4,360		4,360
As at 31/12/2023	627,456	10,054	66,634	3,361	707,505
DEPRECIATION					
As at 1/12/2023	0	1,594	62,274	3,361	67,229
Depreciation charge for year		1,005	1,090	0	2,095
As at 31/12/2023	0	2,600	63,364	3,361	69,325
NET BOOK VALUE					
As at 1/12/2023	627,456	8,460	0	0	635,916
As at 31/12/2023	627,456	7,454	3,270	0	638,180

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

		2023	2022
7	Debtors		
	Trade debtors	798	0
	Amounts owed by related party undertakings	200,000	200,000
	Prepayments / other items	<u>0</u>	<u>0</u>
		200,798	200,000
		2023	2022
8	Creditors falling due within one year		
	Bank Loans	29,943	29,943
	Other creditors	<u>5,750</u>	<u>8,391</u>
		35,693	38,334
		2023	2022
9	Creditors falling due over one year		
	Bank Loans	<u>263,843</u>	<u>282,460</u>
		263,843	282,460

In December 2023 the centre received a very generous gift from a sister KMC centre of £189,993. This mean that in January 2024, Bodhisattva KMC were able to repay the NatWest bank mortgage in full.