

Company registration number: 02724500
Charity registration number: 1023575

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Venerable Chueh Yann Shih, Trustee Venerable Miao Shiunn Shih, Secretary Venerable Suit Heong Chong, Trustee (resigned 18 December 2020) Rev. LI-Ya Chou, Trustee Rev. Mei-Chu Fan, Trustee Rev. Yi Chen Wu, Trustee Rev. Pei Fen Wu Chang, Trustee Fong Goh Lee, Trustee
Company registered number	02724500
Charity registered number	1023575
Registered office	84 Margaret Street London W1W 8TD
Company secretary	Venerable Miao Shiunn Shih
Independent examiner	MHA MacIntyre Hudson Chartered Accountants 2 London Wall Place London EC2Y 5AU
Bankers	NatWest Bank PLC Cavendish Square Chatham Customer Service Centre Western Avenue Kent ME4 4RT

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL STATEMENTS

The management committee which is the Board of Directors of the Society for the purposes of company law and trustees for charity law purposes presents its report and the financial statements for the year ended 31 December 2020, which comply with current statutory requirements and the charitable company's governing document.

These financial statements present the results for the London Fo Guang Temple.

CHARITY ORGANISATION

The charitable company was registered by the Charity Commission on 15 July 1993. The charitable company is governed by its Memorandum and Articles of Association dated 19 June 1992. The charitable company is also limited by guarantee.

Fo Guang Shan monastery is a Buddhist temple that propagates Humanistic Buddhism, and was founded by Venerable Master Hsing Yun in 1967. The headquarters of the organisation is based in Taiwan, and has branches across the world including in Los Angeles, Hong Kong, Sydney, Cape Town and Toronto.

Taiwan is where the monastic training is undertaken. Many lay people undertake monastic training to spread Buddhism around the world. Once they achieve a certain level of training, they are qualified to serve at branch temples.

The International Buddhist Progress Society (UK), hereafter referred to as IBPS (UK), is one of the branches of Fo Guang Shan in England, and operates from premises in London with the other branch in Manchester, IBPS (Manchester) Limited, charity registration number 1097502). During the year under review, the monastics serving in London were Venerable Ru Hai, Venerable You Shun, Venerable An Jin, and Venerable Miao Lung.

The monastics are sent to different branches all over the world to propagate Buddhism. This will depend upon their level of experience.

TRUSTEE TRAINING

Trustee training is given in Taiwan, with a probation period of one year for newly appointed trustees.

Direction is provided from Taiwan where all monastics sit in conference, and is brought back to their relevant branch. The framework is modified by Taiwan but local decisions are made by the resident monastics.

DIRECTORS

The directors of the charitable company are also the charity trustees of the IBPS (UK). The directors in office during the year and currently were:

Venerable Chueh Yann Shih
Venerable Miao Shiunn Shih
Venerable Suit Heong Chong (terminated on 18 December 2020)
Rev. Li Ya Chou
Rev. Mei-Chu Fan
Rev Yi Chen Wu
Rev. Pei Fen Wu Chang
Fong Goh Lee

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEE APPOINTMENT

In accordance with the charitable company's Articles of Association, all the directors are required to retire and being eligible, may offer themselves for re-election by the members.

Directors are recruited from amongst those supporters of the Society whom the Committee considers can provide valuable service in this position. They are normally appointed at the Annual General Meeting but the Committee itself can appoint directors to fill vacancies.

PRINCIPAL RISKS AND UNCERTAINTIES

In the temple, there are a number of collection boxes. It was as a result of several instances of attempted robbery, the collection boxes have now become alarmed and secured to the wall. The conundrum is that we want to welcome the general public into our temple, and allow them to roam freely. At the same time, we want to ensure our assets and donations are protected.

Though the government has eased lockdown and the temple has started to open its door for devotees and the general public, there is still uncertainty as Covid case numbers could rise again. To ensure safety and wellbeing of the monastics, volunteers, devotees and general public, the trustees have continued to implement measures such as reduced opening hours, social distancing and mandatory wearing of masks inside the temple.

This year the overall income has dropped by 43%, reflecting the impact of the Covid-19 pandemic. The temple continued to close during the first six months of 2021. The trustees have considered the risks of going concern due to the uncertainty of the impact of Covid-19 pandemic. Further stress testing has been carried out to ensure the temple has sufficient cash resources to continue its operation.

The management committee continue to monitor any major risks to which the temple and its activities are exposed, and to implement systems and procedures to manage any risks identified.

OBJECTIVES OF THE INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK) [IBPS (UK)]

The IBPS (UK) has the following objects and purpose, as per its Memorandum and Articles of Association:

- to follow the Buddha's teaching, sincerely respect the Triple Gem, and propagate Buddhism for the welfare of all beings and awaken the world.
- to promote Humanistic Buddhism and build a Buddha's Light Pure Land, and live a practical humanistic life and help others with compassion
- to abide by the Buddhist precepts and harmonize the Five vehicles; practice The Three Teachings and fulfil the human character
- to be involved internationally in culture and education; have an open mind and treat others with mutual respect

The IBPS (UK) also has the following mission:

- to encourage the study and research of Buddhism
- to support related cultural and educational programs
- to serve humanity, the community and society
- to develop educational programs for all
- to promote international Dharma propagation

We have aimed to continue to develop closer links with the neighbourhood and local community, as such to bring compassion and spread Buddhism to those less fortunate. Furthermore, to encourage racial tolerance and harmony amongst all, we have implemented strategies to achieve this objective include networking with neighbours.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Through the power of music and cultural events, we also aim to encourage the study of Buddhism and put theory into practice.

Our main objective in the year is reflected in the annual phrase composed by Venerable Master Hsing Yun. The phrase this year is "Cultivate a Heart that Blooms in All Seasons" and this has been a common theme throughout our activities.

In planning the activities of the Charity, the trustees have had due regard to the guidance on Public Benefit issued by the Charity Commission, and in particular the supplementary guidance on the advancement of religion for the public benefit. All activities have been undertaken in relation to the purposes of the charity as per its Memorandum and Articles and to further the charity's purpose for the public benefit.

REVIEW OF ACTIVITIES

We present an overview of where our income of £348,392 was received from, as well as how we spent £221,309, as we continue our programme to spread Buddhism to the local community. Due to the Covid-19 pandemic, the temple closed doors to the public from 16th March 2020 and opened for individual prayers by appointment during the months when the pandemic eased. During this time, we maintained all our usual activities, but moved them online. Our activities during 2020 included: -

Dharma Functions

Our core activity continues to be organising and holding Dharma functions that take place within the temple, and is the basic means by which our devotees cultivate and practice Buddhism. There is a cycle of functions through the year. From 16 March 2020, we continued to hold these Dharma services via live-stream. We maintained our commitment to propagating Buddhism and the environment by using materials leftover from previous years. By holding the Dharma services via live-stream, we had to buy some IT equipment and as a result, our spending on Dharma functions was at £10,917 (2019: £11,875). Due to the pandemic, the donation collected from the following Dharma functions during the year was significantly reduced to just over £163,000 (2019: £353,656):

- a) The Chinese New Year celebrations took place on 25 January 2020, which saw in the Chinese Year of the Ox. Due to the pandemic, there was evidently less people attending the Chinese New Year Celebrations.
- b) Qing Ming Ancestor Memorial Service allows devotees to transfer merits to ancestors and deceased people. This is an important Chinese ritual in Lunar March, which happened to be in April this year. This service took place via live-stream on YouTube.
- c) In 2020, the annual Wesak Day celebrations were originally planned to be held on 9 May in Leicester Square Gardens and on 10 May in the temple, both events were cancelled due to COVID 19 pandemic. On the actual day of Buddha's birthday, a special Dharma service was held in the temple to commemorate the birth of the Buddha and to signify the purification of ourselves too.
- d) The Ullambana Dharma Service was held via livestream in the seventh lunar month. There were also offerings to the Sangha. The underlying benefit of this function is to cultivate our filial piety towards our parents, and be compassionate to our neighbours.
- e) The Medicine Buddha Function was held in the ninth lunar month via livestream. We make lamp offerings to pray for wisdom and longevity.
- f) The Amitabha Function was held in December via livestream, and gave devotees the opportunity to meditate and chant as part of their Buddhist practice.

Monthly Light Services

These are held on each Full and New Moon. Oil lamps are lit to mark each occasion but these have been replaced by electric lamps as oil is dangerous.

The temple was closed from Mid-March 2020 due to the COVID 19 pandemic. Nevertheless, on each Full and New Moon the temple still carries on with the Chanting Services via online live streaming. Devotees can join in the Service in the comfort of their own homes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Volunteers

Although volunteers were unable to come to the temple during the lockdown, the resident monastics were able to still able to cover the majority of tasks and duties. Nevertheless, the Directors of the charitable company would like express their gratitude to the volunteers, many of whom are devotees of London Fo Guang Shan, for their continue support of the Dharma functions and activities via live streaming.

Volunteers cover areas such as maintaining reception, cooking the lunches for Sunday services, the service attendants and the numerous people who assist in the preparation for the activities noted earlier. A prudent estimate would be that the London volunteers' time from January 2020 till mid-March 2020 totals over 3,000 hours (2019: 15,000 hours).

Based on the National Minimum Wage rates of £8.21 (effective April 2019) and £8.72 (effective April 2020), this equates to a saved cost of approximately £23,600 (2019: £112,500) and does not include National Insurance Contributions. Our appreciation also goes out to the volunteers who assist this temple in maintaining the IBPS (UK)'s accounting records.

As there is no reliable method to record volunteer time, this intangible income has not been recognised in the financial statements.

Donated Goods

Despite the pandemic, we continue to be amazed at the kind generosity of our devotees. The reception area is full of merchandise for sale to those who enter the temple. Most of those items have been kindly donated, and thus, saving us this outlay. A rough estimate of the goods donated is approximately £500 (2019: £1,600).

Food has been kindly donated to serve after each service. Otherwise, our food costs would be substantially higher. A conservative estimate would be a figure of approximately £600 (2019: £2,000) for the year.

The donated goods in the year have not been included as incoming resources within the Statement of Financial Activities, as no definite measure can be made of these goods.

Our other activities during the year included:

Education

A wide spectrum of courses is available to all devotees at the temple that not only raises awareness about Buddhism, but also to educate the devotees in cultural matters. This year we were able to test our devotees' knowledge when Buddhist Study exams were held in January.

Courses organised include online Dharma courses, meditation classes, Sunday school for kids, Buddhist choir class, dance class and exercise classes for the seniors. Our courses will continue to be effectively free, where nominal fees are charged to cover teaching material costs for example, and it will only cost us the preparation time.

Professionals, monastic and lay advisors from abroad have given lectures on lifestyle matters. Topics have covered a wide range of interesting subjects including saving the environment, and Meditation and Life.

BLIA and YAD

BLIA is the lay Buddhist association that is affiliated with Fo Guang Shan and YAD is the youth division. Due to the pandemic, BLIA and YAD were unable to organise in-person events, however online events and gatherings to ensure the welfare of members were regularly organised throughout the year.

The Local Community

Although unable to hold or attend events in the community, we continued to keep in touch with local faith organisations and also offered concern to our neighbours during the pandemic.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE

Even though the pandemic caused some inconveniences, we were able to cope by transforming most activities and services online. Not only were we able to stay connected with our existing devotees but also able to reach out to even more new people.

Throughout the year, we received donations of approximately 35,000 facemasks, and donated approximately 30,000 to local communities, nursing homes, schools etc.

Since the pandemic, all regular chanting services were moved online. In addition, we increased the number of online classes and also live-streamed our daily evening chanting services. To ensure smoother connection, we accepted the recommendations from Huawei to replace all the Wi-fi Access Points in the temple building

Refurbishment of the office and residential premises on the Eastern side of the building was completed in August 2020. The works also included the changing of all radiators in the building on the Eastern side as these were found to be either not working or rusty and needed replacement.

A Perspex screen was installed in the reception area in preparation for when we open. We followed the guidelines given by the government to protect staff and volunteers.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The remuneration of the key management personnel is determined by the trustees annually and normally increased in accordance with average earnings, considering sector parameters and benchmarks.

FUNDRAISING

The charitable company confirms that they do not outsource any fundraising activities to a professional fundraiser. Although donations are given by beneficiaries of the temple, the temple does not actively fundraise. As such, the charitable company does not voluntarily adopt any fundraising standards.

FINANCIAL REVIEW

Despite the pandemic and lockdown, we are proud to report a surplus on both funds of £127,083 for the year, with a surplus of £115,733 on the unrestricted fund and a surplus of £11,350 on the restricted fund. We hope that the world can bring the global COVID-19 pandemic under control soon, allowing the temple to fully open to devotees and general public. The unrestricted fund is carrying forward a fund balance of £1,167,982 and we will continue to build upon this position.

The trustees remain confident in retaining the continued support from The IBPS' Headquarters in Taiwan and Europe, as well as the devotees of the London Fo Guang Temple.

Our financial position is strengthened with the funds raised for the general repairs, and those remaining on the Celestial Sounds 2003 Fund. At the balance sheet date, the restricted reserve stood at £308,087 with £299,044 on the general repair fund and £9,043 on the Celestial Sounds 2003 Fund.

RESERVES POLICY

The charitable company currently has two reserves: unrestricted reserves contain funds which are available to use at the discretion of the trustees in furtherance of IBPS (UK)'s objectives; restricted reserves contain funds which have specific restrictions imposed by the donor or nature of the appeal.

To ensure the charitable company can remain operational, the management committee aims to attain an unrestricted fund reserve equivalent to one year's unrestricted expenditure, of approximately £250,000 based

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

on a prudent estimation using 2019 expenditure as the temple was closed for over 9 months in 2020. This is to ensure that the temple can continue to run for at least one year without relying on future funding.

As above, the unrestricted fund is carrying forward a balance of £1,167,982. The remaining reserves will be used to meet the charitable company's objectives and missions. Also, due to COVID-19, the Temple remained closed for the first six months of 2021 and the charitable company might not be able to get grant from The National Lottery Heritage Fund for the repair of the western roof of the temple. Hence, it is prudent to maintain a healthy reserve in order to achieve its objectives and to meet future expenses.

PLANS FOR FUTURE PERIODS

The application for grant(s) for the repairs on the Western roof (i.e. the temple side). A rough estimate of costs is around a million Sterling pounds.

Due to the effects of the pandemic, concrete plans are difficult to project. We will continue to organise online and virtual events and also need to consider hybrid plans for when the pandemic eases. Investment in technology or necessary facilities will need to be considered.

As many devotees and volunteers have not been at the temple for over 9 months, training sessions and basic activities will be planned for when the temple reopens to help ease everyone back in.

INVESTMENT POLICY

In relation to the general repair fund, the money raised has been placed into suitable bank accounts to attract the best rate of interest.

The management committee keep this policy under review to make best use of existing financial resources.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Rev. Pei Fen Wu Chang

Date: 23.09.2021

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also the directors of the Charitable Company 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:


.....
Rev. Pei Fen Wu Chang

Date: 23.09.2021

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner's report to the Trustees of International Buddhist Progress Society (UK)
('the Charitable Company')

I report to the charity Trustees on my examination of the accounts of the Charitable Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charitable Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charitable Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


Independent examiner's statement

Since the Charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 24/09/2021

Stuart McKay BSc FCA DChA

MHA MacIntyre Hudson, 6th Floor, 2 London Wall Place, London, EC2Y 5AU

INTERNATIONAL BUDDHIST PROGRESS SOCIETY (UK)
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations	3	52,236	79,728	131,964	201,452
Charitable activities	4	211,479	-	211,479	382,073
Other trading activities	5	4,730	-	4,730	22,656
Bank interest receivable		-	219	219	559
		<u>268,445</u>	<u>79,947</u>	<u>348,392</u>	<u>606,740</u>
Total income					
Expenditure on:					
Charitable activities	6	152,712	68,597	221,309	307,426
		<u>152,712</u>	<u>68,597</u>	<u>221,309</u>	<u>307,426</u>
Total expenditure					
		<u>115,733</u>	<u>11,350</u>	<u>127,083</u>	<u>299,314</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		1,052,249	296,737	1,348,986	1,049,672
Net movement in funds		115,733	11,350	127,083	299,314
		<u>1,167,982</u>	<u>308,087</u>	<u>1,476,069</u>	<u>1,348,986</u>
Total funds carried forward					

All income and expenditure derive from continuing activities.

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 27 form part of these financial statements.

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REGISTERED NUMBER: 02724500

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	392,693	425,965
Current assets			
Debtors	11	17,367	12,245
Cash at bank and in hand		1,138,152	1,281,729
		<u>1,155,519</u>	<u>1,293,974</u>
Creditors: amounts falling due within one year	12	(72,143)	(121,503)
Net current assets		<u>1,083,376</u>	1,172,471
Total assets less current liabilities		<u>1,476,069</u>	1,598,436
Creditors: amounts falling due after more than one year	13	-	(249,450)
Total net assets		<u>1,476,069</u>	<u>1,348,986</u>
Charity funds			
Restricted funds	14	308,087	296,737
Unrestricted funds	14	1,167,982	1,052,249
Total funds		<u>1,476,069</u>	<u>1,348,986</u>

The Charitable Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020



.....
Rev. Pei Fen Wu Chang

Date: 23.09.2021

The notes on pages 14 to 27 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	16	(142,506)	375,166
Cash flows from investing activities			
Interest received		219	559
Purchase of tangible fixed assets	10	(1,290)	(2,450)
Net cash used in investing activities		(1,071)	(1,891)
Change in cash and cash equivalents in the year			
Cash and cash equivalents at the beginning of the year	17	1,281,729	908,454
Cash and cash equivalents at the end of the year	17	1,138,152	1,281,729

The notes on pages 14 to 27 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

International Buddhist Progress Society (UK) is a charitable company and is registered with the Charity Commission (Charity Registered Number 1023575) and Registrar of Companies (Company Registration Number 02724500) in England and Wales.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are as detailed in the Trustees' Annual Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Buddhist Progress Society (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.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget and forecast future cash flows for 12 months from authorising these financial statements, including assessments of possible future scenarios arising from COVID-19. The budgeted income and expenditure is deemed to be sufficient with the level of reserves for the Charitable Company to be able to continue as a going concern.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% Straight-line
Fixtures and fittings	-	15% Straight-line
Office equipment	-	15% Straight-line

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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2. Accounting policies (continued)

2.10 Financial instruments

The Charitable Company only holds basic Financial Instruments. The financial assets and financial liabilities of the Charitable Company are as follows:

Debtors - prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Liabilities - fundraising for European branches, accruals, amounts owed to related party, and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Notes 12 and 13.

2.11 Pension

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

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3. Income from donations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
General donations	52,236	-	52,236
General repair fund	-	79,728	79,728
	52,236	79,728	131,964
	52,236	79,728	131,964
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
General donations	84,072	6,185	90,257
General repair fund	-	111,195	111,195
	84,072	117,380	201,452
	84,072	117,380	201,452

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Dharma functions	163,137	163,137	353,656
Funeral services	48,342	48,342	28,417
	211,479	211,479	382,073
	211,479	211,479	382,073
<i>Total 2019</i>	<i>382,073</i>	<i>382,073</i>	<i>382,073</i>

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5. Income from trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Reception sales	4,730	4,730	22,656
<i>Total 2019</i>	<u>22,656</u>	<u>22,656</u>	

6. Analysis of expenditure on charitable activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities (advancement of religion)	207,119	14,190	<u>221,309</u>

In 2020, there was £152,712 of unrestricted expenditure on charitable activities and £68,597 allocated to restricted funds.

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Charitable activities (advancement of religion)	<u>296,492</u>	<u>10,934</u>	<u>307,426</u>

In 2019, there was £255,154 of unrestricted expenditure on charitable activities and £52,272 allocated to restricted funds.

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6. Analysis of expenditure on charitable activities (continued)

Analysis of direct costs

	Charitable activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	31,970	31,970	29,170
Depreciation	34,562	34,562	34,854
Dharma functions	10,917	10,917	11,875
Property costs	21,430	21,430	39,276
Insurance	9,019	9,019	8,535
Travel expenses	2,818	2,818	21,947
Overhead costs	13,267	13,267	35,349
Advertising and promotion	1,200	1,200	15,618
Sundry expenses	2,010	2,010	13,950
Donations	300	300	26,349
Roof Repairs	68,477	68,477	52,272
Subscriptions	-	-	24
Educational project	11,149	11,149	7,273
	<u>207,119</u>	<u>207,119</u>	<u>296,492</u>

In the prior year, the Charitable Company made a one off donation of £20,000 Buddha's Light International Association World HQ to hold its Annual General Meeting at UNESCO World Heritage Centre in Paris. Over 1,300 monastics, NGO members and buddhists from London and around the world attended the 4 day conference to discuss resolutions in promoting charity and educational activities.

Analysis of support costs

	Charitable activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bank charges	4,132	4,132	3,007
Governance	10,058	10,058	7,927
	<u>14,190</u>	<u>14,190</u>	<u>10,934</u>

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7. Governance costs

	2020 £	2019 £
Bookkeeping - current year	817	3,209
Independent Examination and preparation of the financial statements	3,240	3,240
Legal and professional fees	6,001	1,478
	10,058	7,927

8. Staff costs and employee benefits

	2020 £	2019 £
Wages and salaries	31,250	28,000
Social security costs	-	568
Contribution to defined contribution pension schemes	720	602
	31,970	29,170

The average number of persons employed by the Charitable Company during the year was as follows:

	2020 No.	2019 No.
Employees	1	1

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits received by Key Management Personnel was £31,970 (2019: £29,170). The Charity considers its Key Management Personnel comprise;

- Trustees
- Public Affairs Manager for Education

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

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10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2020	858,824	292,396	40,718	1,191,938
Additions	-	1,290	-	1,290
At 31 December 2020	<u>858,824</u>	<u>293,686</u>	<u>40,718</u>	<u>1,193,228</u>
Depreciation				
At 1 January 2020	458,611	276,489	30,873	765,973
Charge for the year	17,176	12,909	4,477	34,562
At 31 December 2020	<u>475,787</u>	<u>289,398</u>	<u>35,350</u>	<u>800,535</u>
Net book value				
At 31 December 2020	<u>383,037</u>	<u>4,288</u>	<u>5,368</u>	<u>392,693</u>
At 31 December 2019	<u>400,213</u>	<u>15,907</u>	<u>9,845</u>	<u>425,965</u>

11. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	2,590	-
Prepayments and accrued income	14,777	12,245
	<u>17,367</u>	<u>12,245</u>

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12. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	127
Fundraising for European branches and main monastery	68,903	118,676
Accruals	3,240	2,700
	<u>72,143</u>	<u>121,503</u>

The Charitable Company collects and distributes donations on behalf of other branch temples and the main monastery. During the year ended 31 December 2020 the Charitable Company collected £202,003 (2019: £148,098) and distributed £251,776 (2019: £47,475) from the fund, this is not included within income and expenditure. An amount of £68,903 (2019: £118,676) is included within 'Creditors: Amounts falling due within one year' relating to undistributed funds that are repayable to other branch temples and the main monastery.

13. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Long term loan	-	249,450
	<u>-</u>	<u>249,450</u>

Included within 'Creditors: Amounts falling due after more than one year' was a long term loan from the International Buddhist Progress Society Hsi Lai Temple, USA. The loan was interest free. During the current year £249,450 (2019: £50,000) of this loan was repaid to the international Buddhist Progress Society Hsi Lai Temple USA, being repaid in full on 14 August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds				
General funds	1,052,249	268,445	(152,712)	1,167,982
Restricted funds				
General repair fund	287,694	79,947	(68,597)	299,044
Celestial Sounds Concert 2003	9,043	-	-	9,043
	<u>296,737</u>	<u>79,947</u>	<u>(68,597)</u>	<u>308,087</u>
Total of funds	<u><u>1,348,986</u></u>	<u><u>348,392</u></u>	<u><u>(221,309)</u></u>	<u><u>1,476,069</u></u>

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for any other purposes.

The Celestial Sounds Concert 2003 fund was set up in 1999 for the sole purpose of supporting the English leg of a world tour of the IBPS Choir to promote Buddhism using music. The 1999 concert was so successful that the funds were raised for another tour in 2003 but was cancelled due to the SARS epidemic. Funds continue to be held for the possibility of another tour in the future.

The General Repair Fund was set up in 2000 to fund the program of repairs around the temple. The first major repair was for the replacement of a leaking roof, followed by much smaller repairs around the temple. Funds are held for the continuing program of repairs as and when required.

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14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds				
General funds	818,602	488,801	(255,154)	1,052,249
Restricted funds				
General repair fund	222,027	117,939	(52,272)	287,694
Celestial Sounds Concert 2003	9,043	-	-	9,043
	<u>231,070</u>	<u>117,939</u>	<u>(52,272)</u>	<u>296,737</u>
Total of funds	<u><u>1,049,672</u></u>	<u><u>606,740</u></u>	<u><u>(307,426)</u></u>	<u><u>1,348,986</u></u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	392,693	-	392,693
Current assets	847,432	308,087	1,155,519
Creditors due within one year	(72,143)	-	(72,143)
Total	<u><u>1,167,982</u></u>	<u><u>308,087</u></u>	<u><u>1,476,069</u></u>

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	425,965	-	425,965
Current assets	997,237	296,737	1,293,974
Creditors due within one year	(121,503)	-	(121,503)
Creditors due in more than one year	(249,450)	-	(249,450)
Total	<u>1,052,249</u>	<u>296,737</u>	<u>1,348,986</u>

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	<u>127,083</u>	<u>299,314</u>
Adjustments for:		
Depreciation charges	34,562	34,854
Interest received	(219)	(559)
Increase in debtors	(5,122)	(6,502)
Increase/(decrease) in creditors	(298,810)	48,059
Net cash provided by/(used in) operating activities	<u>(142,506)</u>	<u>375,166</u>

17. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	<u>1,138,152</u>	<u>1,281,729</u>
Total cash and cash equivalents	<u>1,138,152</u>	<u>1,281,729</u>

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18. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,281,729	(143,577)	1,138,152
	<u>1,281,729</u>	<u>(143,577)</u>	<u>1,138,152</u>

19. Related party transactions

The Charitable Company has a loan in the sum of £Nil (2019: £249,450) from a related organisation, the International Buddhist Progress Society His Lai Temple, USA. The loan was interest free and fully repaid on 14 August 2020.

