

Charity registration number 1028414

Company registration number 02841200 (England and Wales)

**KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Snowball-Hill C Rhodes J Andrews
Charity number	1028414
Company number	02841200
Registered office	Gedling House Wood Lane Nottingham England NG4 4AD
Independent examiner	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

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KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity operates to promote the Buddhist Faith of the New Kadampa Tradition through the activities of study, practice, teaching and the observance of moral discipline based upon the continuous implementation of the three New Kadampa Tradition Study Programmes. These traditions are all within the pure tradition of Mahayana Buddhism of Atisha and Je Tsongkhapa as taught by Venerable Geshe Kelsang Gyatso.

Achievements and performance

The Trustees are delighted that after a long search we were able to find a new property that is suitable for welcoming all visitors and meeting the needs of the Charity for many generations to come. In early 2021 we bought and moved into our new home, Gedling House, and we sold our previous property. We applied for listed building consent and full planning permission to change the use of the building from a housing association office to Residential Buddhist Meditation Centre with ensuite rooms. This finally came through in October 2021 and work commenced on the residential units in June 2022 and is anticipated to be completed in December 2022.

To date much work has been accomplished in preparing the ground floor rooms for public use and the beautiful new meditation room is substantially complete and in use.

Due to the COVID lockdown and lack of planning permission there was limited opportunity for in-person classes, group prayers or volunteering during the year. A full programme of online classes continued throughout the year.

As there are limited residential facilities and a lack of planning permission, there was no income from accommodation in the year.

Public Benefit

In exercising their powers and duties, the Trustees have due regard to the guidance on public benefit published by the Charity Commission. They believe that the work of the Buddhist Faith has clearly identifiable public benefits.

The Charity believes that there are three important public benefits to promoting the Buddhist Faith: to help people develop their wisdom, to cultivate a good heart and to maintain a peaceful mind.

If as individuals we do not strive to develop our wisdom, we will always remain ignorant of the true nature of reality. Everyone wishes for happiness, but our ignorance of reality leads us to engage in non-virtuous actions, which in turn are the main cause of all of our suffering. Further, if we do not cultivate a good heart towards others, then our selfish motivation destroys the harmony of our relationships with others. We then have no peace, and no chance to gain pure happiness. Without inner, mental peace, outer peace is impossible, both personally and throughout society.

The Charity's programme of classes, services and meditation is open to everyone, whether Buddhist or not, regardless of nationality, age or gender. All classes are accessible to the public and both "drop-in" and more advanced courses of Buddhist instruction are offered. Some are offered free of charge, whilst modest fees are charged for others.

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The accounts show outgoing resources of £12,391 (2020: £13,182 incoming resources). As at the year end net assets were £465,365 (2020: £497,721).

As reported above, there was no income from accommodation in the year and the education activity was considerably curtailed. The Trustees are satisfied with the results.

Reserves policy

The Charity maintains an "International Temples Project" (ITP) account into which all income is paid. Once a month the Admin Director of the Charity prepares a budget of expenditure for the following month, noting any expected expenditure for future months. Once this budget is reviewed and approved funds are withdrawn from the ITP account into the "Daily Running Account" from which payments are made. In this way the Trustees ensure that sufficient funds are available to cover current running costs and that there are sufficient funds remaining in the ITP account for future months.

Governance

The business of the Charity is governed by the Directors, the Trustees of the Charity. There are three Trustees. Two of the Directors must be members (and normally local members), and are elected by the members of the Charity. The third director is an ex officio Director and must be the duly-appointed Administrative Director of a major NKT-IKBU Kadampa Meditation Centre in the United Kingdom.

COVID-19

During 2021 the Charity have maintained our online programme alongside our in-person classes to enable everyone to participate in the Charity's activities. A full risk-assessment is reviewed whenever the Government advice changes in order to ensure that the Charity's procedures complied fully with the Government's guidelines and that everything is done to keep visitors, volunteers and residents as safe as possible.

Structure, governance 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.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

C Snowball-Hill
C Rhodes
J Andrews

Trustee recruitment and training

Of the Three Trustees, two elected trustees are from within the centre or from other similar centres so that they have knowledge and understanding of the charity's aims and workings. To be elected or appointed as a Trustee, the nominee must be a member of the charity and are elected by members at the Annual General Meeting or by the Trustees when a need arises according to the Articles of Association. The third Trustee is an ex-officio Trustee, by virtue of them being the Administrative Director of a centre specified in the Articles of Association. Each new Trustee is guided by current Trustees and other members of the organisation, in particular the Administrative Director and Resident Teacher, who have vast experience within the organisation.

The Trustees' report was approved by the Board of Trustees.


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J Andrews
Trustee

Date: 31/10/2022
.....

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

I report to the Trustees on my examination of the financial statements of Kadampa Meditation Centre Nottingham Limited (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - matters of concern identified

I have completed my examination. I have identified two matters of concern in my report as follows:

- 1 - I draw your attention to Note 1.2 in the financial statements which indicates that material uncertainty exists that may cast doubt on the charity's ability to continue as a going concern.
- 2 - Note 1.2 indicates that the property valuation has not been received and therefore there is uncertainty regarding whether the freehold land and buildings net book value of £820,754 will be subject to impairment.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 confirm that there are 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 financial statements to be reached.



Melvin Bailey FCCA DChA
for and on behalf of Rogers Spencer
Chartered Accountants

Newstead House
Pelham Road
Nottingham
NG5 1AP

Dated: 31/10/22

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Donations and legacies	2	16,211	1,286
Fees and courses	3	11,885	13,823
Other trading activities	4	462	29,923
Investments	5	71	15
Other income	6	12,767	22,350
Total income		41,396	67,397
<u>Expenditure on:</u>			
Raising funds	7	129	186
Charitable activities	8	55,194	50,675
Other	12	464	3,354
Total resources expended		55,787	54,215
Net (outgoing)/incoming resources		(14,391)	13,182
<u>Other recognised gains and losses</u>			
Revaluation of tangible fixed assets		-	19,985
Net movement in funds		(14,391)	33,167
Fund balances at 1 January 2021		477,736	464,554
Fund balances at 31 December 2021		463,345	497,721

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		822,810		635,432
Current assets					
Stocks	14	1,700		1,700	
Debtors	15	2,000		2,292	
Cash at bank and in hand		162,132		48,262	
		165,832		52,254	
Creditors: amounts falling due within one year	17	(26,040)		(54,852)	
Net current assets/(liabilities)			139,792		(2,598)
Total assets less current liabilities			962,602		632,834
Creditors: amounts falling due after more than one year	18		(499,257)		(135,113)
Net assets			463,345		497,721
Charity funds					
<u>Unrestricted funds</u>					
General unrestricted funds		463,345		362,861	
Revaluation reserve		-		134,860	
	19		463,345		497,721
			463,345		497,721

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 31/10/2022

.....
J Andrews
Trustee

Company Registration No. 02841200

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Kadampa Meditation Centre Nottingham Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Gedling House, Wood Lane, Nottingham, England, NG4 4AD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the loan mentioned in note 18 of the financial statements has not been finally approved as the bank is awaiting the formal property valuation. The valuation is expected to indicate that there is sufficient coverage for the bank and during the time until the loan is received the charity will continue to be supported by New Kadampa Tradition - International Buddhist Union. However, as the valuation report has not yet been received there is material uncertainty relating to the events or conditions that may cast significant doubt on the charity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

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.

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 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 are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds comprise the costs associated with attracting voluntary income.

Expenditure on charitable activities includes those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% straight line on buildings
Fixtures and fittings	25% reducing balance
Computers	25% straight line
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.8 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	16,211	1,286

3 Fees and courses

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fees and courses	11,885	13,823

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Shop income	462	402
Accommodation	-	29,521
	462	29,923

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Bank interest receivable	71	15

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Net gain on disposal of tangible fixed assets	12,002	-
Insurance proceeds	-	12,000
Government Covid support	-	10,000
Other income	765	317
Proceeds from sale of equipment	-	33
	<u>12,767</u>	<u>22,350</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Shop purchases	<u>129</u>	<u>186</u>

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Depreciation and impairment	6,516	5,484
Education expenses	945	1,655
Rent, rates and water	4,325	6,497
Insurance	3,346	2,658
Light and heat	5,354	10,212
Catering	202	674
Repairs and maintenance	7,018	6,559
Printing, postage and stationery	400	55
Advertising	49	103
Telephone	1,095	1,346
Computer and internet expenses	1,844	1,549
Travel expenses	1,249	2,057
Professional and accountancy fees	537	1,029
Bank and merchant charges	1,267	521
Sundry expenses	300	300
Sponsorship	17,307	8,776
	<u>51,754</u>	<u>49,475</u>
Share of governance costs (see note 9)	3,440	1,200
	<u>55,194</u>	<u>50,675</u>

9 Governance costs

	2021	2020
	£	£
Professional and accountancy fees	<u>3,440</u>	<u>1,200</u>

10 Trustees

The Trustees neither received nor waived any remuneration during the year (2020 - £Nil).

11 Employees

There were no employees during the year (2020 - Nil).

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Other

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Bank loan interest	464	3,354

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 January 2021	622,850	1,694	-	1,500	626,044
Additions	822,923	-	968	-	823,891
Disposals	(619,000)	-	-	-	(619,000)
At 31 December 2021	826,773	1,694	968	1,500	830,935
Depreciation and impairment					
At 1 January 2021	(8,988)	742	-	867	(7,379)
Depreciation charged in the year	6,019	238	101	158	6,516
Eliminated in respect of disposals	8,988	-	-	-	8,988
At 31 December 2021	6,019	980	101	1,025	8,125
Carrying amount					
At 31 December 2021	820,754	714	867	475	822,810
At 31 December 2020	633,847	952	-	633	635,432

14 Stocks

	2021 £	2020 £
Stocks	1,700	1,700

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	57	197
Prepayments and accrued income	1,943	2,095
	2,000	2,292

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Loans and overdrafts

	2021 £	2020 £
Bank loans	-	146,613
Other loans	509,257	10,000
	<u>509,257</u>	<u>156,613</u>
Payable within one year	10,000	21,500
Payable after one year	499,257	135,113
	<u>499,257</u>	<u>135,113</u>

The bank loan is secured by a legal charge on the freehold property known as 5 Pelham Road, Nottingham.

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	16	-	11,500
Other borrowings		10,000	10,000
Trade creditors		9,150	3,123
Other creditors		160	25,801
Accruals and deferred income		6,730	4,428
		<u>26,040</u>	<u>54,852</u>

In 2020, other creditors include a non refundable deposit of £25,000 for the sale of the property on Pelham Road. The sale took place in February 2021.

18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	-	135,113
Other borrowings		499,257	-
		<u>499,257</u>	<u>135,113</u>

The loan of £499,257 from New Kadampa Tradition - International Kadampa Buddhist Union (NKT-IKBU) will be repaid after the year end as a new loan of £600,000 has recently been agreed. The new loan is from Triodos and will be repaid over a period of 25 years.

KADAMPA MEDITATION CENTRE NOTTINGHAM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20	Capital commitments	2021	2020
		£	£
	At 31 December 2021 the charity had capital commitments as follows:		
	Contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	-	829,305
		<u> </u>	<u> </u>

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).