

Charity Registration No. 1041845

MIDLANDS BUDDHIST ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MIDLANDS BUDDHIST ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr Nguyet Thin Luu Mr Sung Do Mr Qui Kim Huynh
Charity number	1041845
Principal address	34 Holyhead Road Birmingham UK B21 0LT
Independent examiner	HT Accountants & Co LLP Unit 3 Ibex House 2 Leytonstone Road Stratford London UK E15 1SE

MIDLANDS BUDDHIST ASSOCIATION

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MIDLANDS BUDDHIST ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

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 Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives are:

1. Promote and improve Buddhist education by for followers and to bring about clarity on the authentic and genuine face of Buddhism.
2. To educate the public of Buddhist education, history and culture of Buddhism and maintain the Vietnamese culture.
3. Provide facilities such as exhibitions, performances, prayers, chants, etc.
4. To train up Buddhist talent with experiences to help spreading the Buddhist teaching.
5. To appreciate Buddhist values through the Life of the Buddha.
6. To cultivate the mind of the Buddhist way and the application of the teachings to daily life.
7. To conduct Buddhist ceremonies, social function and fund-raising activities to support charities.
8. To provide online Livestream, daily Pray and Sunday service since March 2020, in order to support Buddhist followers and others. These activities are received and followed by almost 1,000 Facebook members.

With regards to the guidance issued by the Charity Commission on public benefit, and in accordance with the principles, aims and objectives of the Charity itself, the Trustees have considered how best to apply the resources and benefits of public.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities should be undertaken.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

This year the Charity continued to hold 4 main Buddhist ceremonies such as Le Phat Dan Celebrate for the Birth of Buddha), Le Vu Lan, Le Ram Ha Nguyen and Tet (Chinese New Year). Apart from that, we organise Buddhist teaching courses for every Bank Holiday, three times a day and weekly chanting.

At the end of January each year, our team visit Vietnam and do some charity work, we use the funds collected through out the year, buy gift, foods and drinks and give to local people with illness or financial difficulties.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

MIDLANDS BUDDHIST ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The principal sources of funding for the Charity's activities are currently the revenues gained by donations of the followers.

These expenditures of those revenues generated more than running costs has been directed into the development of currently occupied premises to further the Charity's objectives in the provision of space for the creation and presentation of the charity activities.

The total donations received this year is £811,069 (2021: £856,577).

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:

None of the trustees has any beneficial interest in the company.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Dr Nguyet Thin Luu

Mr Sung Do

Mr Qui Kim Huynh

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

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Mr Qui Kim Huynh

Trustee

Dated:

MIDLANDS BUDDHIST ASSOCIATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MIDLANDS BUDDHIST ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MIDLANDS BUDDHIST ASSOCIATION

I report on the financial statements of the charity for the year ended 31 March 2022, which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of Association of Chartered Certified Accountant.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

HT Accountants & Co LLP

Association of Chartered Certified Accountant
Unit 3 Ibex House
2 Leytonstone Road
Stratford

MIDLANDS BUDDHIST ASSOCIATION

INDEPENDENT EXAMINER'S REPORT (CONTINUED) TO THE TRUSTEES OF MIDLANDS BUDDHIST ASSOCIATION

London
E15 1SE
UK

Dated:

MIDLANDS BUDDHIST ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Donations and legacies	3	811,069	-	811,069	856,577
Investments	4	1,710	-	1,710	1,820
Total income		812,779	-	812,779	858,397
<u>Expenditure on:</u>					
Charitable activities	5	213,035	2,407	215,442	84,103
Net income/(expenditure) for the year/ Net movement in funds		599,744	(2,407)	597,337	774,294
Fund balances at 1 April 2021		4,334,182	-	4,334,182	3,559,888
Fund balances at 31 March 2022		4,933,926	(2,407)	4,931,519	4,334,182

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

All income and expenditure derive from continuing activities.

MIDLANDS BUDDHIST ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	9		2,754,829		2,654,044
Current assets					
Debtors	10	28,128		10,021	
Cash at bank and in hand		2,281,820		1,940,537	
		<u>2,309,948</u>		<u>1,950,558</u>	
Creditors: amounts falling due within one year	11	<u>(133,258)</u>		<u>(270,420)</u>	
Net current assets			2,176,690		1,680,138
Total assets less current liabilities			<u>4,931,519</u>		<u>4,334,182</u>
Income funds					
Restricted funds			(2,407)		-
Unrestricted funds - general			4,933,926		4,334,182
			<u>4,931,519</u>		<u>4,334,182</u>

The financial statements were approved by the Trustees on

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Mr Qui Kim Huynh
Trustee

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is 34 Holyhead Rd, Birmingham, B21 0HN, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, noncharitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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	
Fixtures and fittings	10% Reducing Balance
Computers	20% Reducing Balance
Motor vehicles	20% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Total 2021 £
Donations and gifts	811,069	856,577

4 Investments

	Unrestricted funds general 2022 £	Total 2021 £
Interest receivable	1,710	1,820

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5

Charitable activities

	Charitable Expenditure Heading 1 2022 £	Charitable Expenditure Heading 5 2022 £	Total 2022 £	Charitable Expenditure Heading 1 2021 £
Depreciation and impairment	13,289	-	13,289	14,937
Direct Costs	152,532	-	152,532	24,166
Rates & Water	892	-	892	25
Power, Light & Heat	8,288	-	8,288	15,025
Repair & Maintenance	17,672	-	17,672	11,757
Insurance	7,518	-	7,518	3,442
Other Motor/Travel Costs	2,502	-	2,502	2,917
Legal and Professional Fees	2,192	-	2,192	1,000
Telephone	680	-	680	1,219
Bank Charges	4,712	-	4,712	7,844
Subscriptions	159	-	159	158
Printing, Postage and Stationery	2,599	-	2,599	1,048
Sundry	-	-	-	565
	<u>213,035</u>	<u>-</u>	<u>213,035</u>	<u>84,103</u>
Grant funding of activities (see note 6)	-	2,407	2,407	-
	<u>213,035</u>	<u>2,407</u>	<u>215,442</u>	<u>84,103</u>
Analysis by fund				
Unrestricted funds - general	213,035	-	213,035	84,103
Restricted funds	-	2,407	2,407	-
	<u>213,035</u>	<u>2,407</u>	<u>215,442</u>	<u>84,103</u>
For the year ended 31 March 2021				
Unrestricted funds - general	<u>84,103</u>	<u>-</u>		

MIDLANDS BUDDHIST ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

6 Grants payable

	Charitable Expenditure Heading 5 2022 £	2021 £
Grants to institutions:		
Other	2,407	-
	<u>2,407</u>	<u>-</u>

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

There were no employees during the year.

9 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2021	2,649,027	268,601	-	48,181	2,965,809
At 31 March 2022	2,649,027	268,601	-	48,181	2,965,809
Depreciation and impairment					
At 1 April 2021	-	169,505	1,936	39,539	210,980
At 31 March 2022	-	169,505	1,936	39,539	210,980
Carrying amount					
At 31 March 2022	2,649,027	99,096	(1,936)	8,642	2,754,829
At 31 March 2021	2,532,547	110,107	588	10,802	2,654,044

10 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	28,128	2,917
Prepayments and accrued income	-	7,104
	28,128	10,021

11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	59,162
Other creditors	133,258	211,258
	133,258	270,420

MIDLANDS BUDDHIST ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Analysis of net assets between funds

	2022 £	2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	2,754,829	-	2,754,829	2,654,044
Current assets/(liabilities)	2,176,690	-	2,176,690	1,680,138
	<u>4,931,519</u>	<u>-</u>	<u>4,931,519</u>	<u>4,334,182</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).