

1482154

COMPANY REGISTRATION NUMBER

**MADHYAMAKA KADAMPA
MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 DECEMBER 2020**

Charity Number 509746

TDP Consulting
Chartered Accountants
23 Peacefield
Marple, Stockport
SK6 7QQ

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

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MADHYAMAKA KADAMPA MEDITATION CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also Directors for the purpose of company law, present their report and the unaudited financial statements of the charity for the year ended 31st December 2020.

REFERENCE AND ADMISISTRATIVE DETAILS.

Registered charity name:	Madhyamaka Kadampa Meditation Centre Ltd
Charity registration number:	509746
Company registration number:	1482154
Registered office:	Kilnwick Percy Hall Kilnwick Percy Pocklington York YO42 1UF

THE TRUSTEES

The trustees who served the charity during the period were as follows:

M Hoyle
G Pugh
G Jameson
Jennifer Andrews

Secretary: Paul Boseley

Bankers: Barclays

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is constituted as a Company limited by guarantee under the Companies Act and is a registered charity governed by the Memorandum and Articles of Association with all the Directors of the Company being Trustees of the Charity.

Trustees Recruitment and training

Trustees are recruited form within the charity or from other similar charities so that they have a knowledge and understanding of the Charity's aims and workings. Each new trustee is guided by the current trustees and other members of the organisation. The trustees are also encouraged to learn from and keep up to date with the Charity's website and that of the New Kadampa Tradition – International Kadampa Buddhist Union.

MADHYAMAKA KADAMPA MEDITATION CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2020

Organisational Structure

The Trustees are also the Directors of the company and are elected at the AGM. The Trustees have appointed the Company Secretary to carry out the day-to-day running of the Centre.

Related Charities

The charity is a member of the NKT-IKBU which is an organisation made up of many centres around the world with the same objects and share the same spiritual lineage as well as the same Educational Programmes. They are all independent charities linked by their objects and there is no financial dependency although funds may pass between centres to fulfil aims and objectives.

OBJECTIVES AND ACTIVITIES

Objects

The object of the Charity is to promote the Buddhist faith, principally through the teaching, study, practice and the observance of moral discipline with the Buddhist tradition of Je Tsongkhapa through the three New Kadampa Tradition Educational Programmes.

The Charity aims to provide tranquillity to enable students to study, practice and observe the moral disciplines as set out in the objects. This has been achieved so far by establishing the Madhyamaka Centre and teaching meditation to Buddhists and non-Buddhists to enable them to maintain peaceful states of mind. A spiritual education is provided to help people improve the quality of their lives and relationships with others.

ACHIEVEMENTS AND PERFORMANCE

Madhyamaka KMC continued to provide a wide range of public services to the surrounding area and further afield during 2020. Meditation Classes in local towns continued to be popular, as did weekend meditation courses and retreats at the KMC. The World Peace Café and Wolds Retreat Bed and Breakfast continued to expand, develop and increase in popularity, and the grounds were frequented by many visitors as a relaxing place of rest and reflection. Madhyamaka also continued to be popular with other Kadampa Buddhist Centres who visit on weekend retreats.

The Centre continued to be reliant on volunteers from the wider community and local towns, who are regularly involved on areas of the Centre such as the Gift Shop, World Peace Café and gardens.

MADHYAMAKA KADAMPA MEDITATION CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Funding Sources

Principally funds are received from running courses and providing accommodation at the Centre, donations receivable, operating the gift shop, B&B and World Peace Café and for running courses at branches together with other fundraising events.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of Madhyamaka KMC for the purpose of company law) are responsible for preparing the Trustees Annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company of that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and the apply them consistently;
- Observe the methods and principles in the Charity's SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will continue in operation.

The trustees are responsible of keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Guidelines for the operation of its bank accounts are set out in an internal guidance manual called '*A Money Handbook*'. Accordingly, all charity income is deposited into the designated ITP bank account maintained by the charity. A separate '*Daily Running Account*' is maintained to fund the daily running of the charity, with a balance of no more that £25,000, drawn from the ITP account as necessary.

The ITP account is reviewed at least monthly to ensure that there is a minimum of £25,000 available to replenish the funds in the Daily Running Account. The trustees are of the opinion that this is a comfortable level of free reserves in order to maintain the basic operation of the charity and to provide some surety against adverse financial events, such as unbudgeted expenditure to failure to achieve income targets. This level is to be reviewed annually by the trustees.

The trustees 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. Major financial risks have been reviewed and systems and procedures established to manage these risks.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**


TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2020

Registered Office:
Kilnwick Percy Hall
Pocklington
York
YO42 1UF

Signed on behalf of the Trustees:

Giles Jameson
Trustee


.....26/8/21.....(date)

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
MADHYAMAKA CENTRE *(continued)***

YEAR ENDED 31 DECEMBER 2020

I report on the accounts of the charity for the year ended 31 December 2020 set out on pages 8 to 19.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 by being a qualified member of the Association of Certified Chartered Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- 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
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 I do not express an audit opinion on whether the accounts present a 'true and fair view'.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Thomas Pennington-Brookfield
FCCA

23 Peacefield, Marple, SK6 7QQ

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2020

	Total Funds 2020 £	Total Funds 2019 £
INCOMING RESOURCES		
Income from charitable activities:		
Donations & Fund raising	2 33,317	10,181
Courses and Retreats	85,750	160,304
Shop	13,406	35,361
World Peace Cafe	29,601	49,628
Accommodation	3 128,122	157,157
Interest Income	4 26	193
TOTAL INCOMING RESOURCES	<u>290,222</u>	<u>412,824</u>
RESOURCES EXPENDED		
Expenditure on charitable activities:		
Costs of Fund raising	-	(1,231)
Courses and Retreats	5 (39,637)	(55,109)
Shop	(21,215)	(22,210)
World Peace Cafe	(13,588)	(19,866)
Accommodation	6 (232,532)	(270,224)
Donation	7	_____
TOTAL RESOURCES EXPENDED	<u>(306,972)</u>	<u>(368,640)</u>
NET INCOMING RESOURCES FOR THE YEAR	<u>(16,750)</u>	44,184
RECONCILIATION OF FUNDS		
Total funds brought forward	<u>597,696</u>	<u>553,512</u>
TOTAL FUNDS CARRIED FORWARD	<u>580,946</u>	<u>597,696</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 19 form part of these financial statements.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
INCOME		290,196	412,631
TOTAL EXPENDITURE		(282,733)	(356,177)
OPERATING SURPLUS		<u>7,463</u>	<u>56,454</u>
OTHER INCOME			
Interest receivable and similar income	4	<u>26</u>	<u>193</u>
		<u>7,489</u>	<u>56,647</u>
INTEREST PAYABLE			
Interest payable: Bank loans		(24,239)	(12,463)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		<u>(16,750)</u>	44,184
RETAINED SURPLUS/(DEFICIT) FOR YEAR		<u>(16,750)</u>	44,184

The Income and Expenditure Account includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 19 form part of these financial statements.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2020

		2020	2019
		£	£
FIXED ASSETS			
Tangible assets	11	550,647	555,674
CURRENT ASSETS			
Stocks	12	10,345	23,250
Debtors	13	907,073	904,812
Cash at bank and in hand		81,953	138,379
		<u>999,371</u>	<u>1,066,441</u>
CREDITORS: Amounts falling due within one year	14	<u>(53,086)</u>	<u>(65,762)</u>
NET CURRENT ASSETS		<u>946,285</u>	<u>1000,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,496,932</u>	<u>1,556,353</u>
CREDITORS: Amounts falling due after more than one year	15	<u>(915,986)</u>	<u>(958,657)</u>
NET ASSETS		<u>580,946</u>	<u>597,696</u>
FUNDS			
Restricted income funds	16	11,951	11,951
Unrestricted income funds	17	568,995	585,745
TOTAL FUNDS		<u>580,946</u>	<u>597,696</u>

The notes on pages 12 to 19 form part of these financial statements.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2020

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the 26th August 2021 and are signed on their behalf by:

G Jameson
Director



Company Registration Number: 1482154

The notes on pages 12 to 19 form part of these financial statements.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Donations

Donations are recognised in the accounts when it is known that they will be received. Donated assets for use by the charity are included at value where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers is not quantified and is not included in the accounts. Gifts donated for resale are included as income when they are sold.

Grants

Grants are recognised in the accounts when it is known that they will be received.

Charitable trading

The Charity charges for providing courses and accommodation for students to attend teachings, study, practice and observe the moral discipline of Buddhism as well as providing amenities at the Centre such as the World Peace Café and shop. All of these are directly associated with the objects of the charity and are therefore treated as charitable trading.

Interest receivable

Interest on monies invested is accounted for as it is earned.

Fund accounting

Restricted funds are funds that have been donated or raised for a specific purpose imposed by the donor or by the way in which the funds have been raised. These funds must be expended in accordance with the restriction when raised and each fund is accounted for separately to ensure this happens. Unrestricted funds are funds donated or raised with no specific restriction and are to be used at the discretion of the trustees. Designated funds are funds set aside by the trustees from the unrestricted general funds for specific purposes and the amount to set aside is decided upon by the Trustees as the need arises depending upon the financial activities of the Charity.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES *(continued)*

Resources expended

In 2019 all income and expenditure has been accounted for net of VAT where applicable.

Costs are allocated to the type of income to which they relate and are apportioned on a reasonable basis if required depending on the type of expense. Liabilities are recognised as they are incurred.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Property Improvements	-5% pa straight line
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Stocks

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

2. Donations & Fundraising Income

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
General donations	6,317	6,317	4,538
Fundraising Events & Grants	27,000	27,000	5,643
	33,317	33,317	10,181

3. Accommodation Income

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Bed & Breakfast Income	358	358	42,563
Residents & other rent	127,764	127,764	114,594
	128,122	128,122	157,157

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

4. Interest Income

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Bank interest receivable	26	26	193

5. Courses & Retreats costs

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Venue, travel and other event costs	28,427	28,427	39,641
Publicity	2,154	2,154	7,447
Sponsorship costs	9,056	9,056	8,021
	<u>39,637</u>	<u>39,637</u>	<u>55,109</u>

6. Accommodation costs

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Meditation Room	7,546	7,546	9,100
Insurance	13,494	13,494	14,128
Utilities	59,074	59,074	55,372
Kitchen	34,472	34,472	50,443
Laundry	3,468	3,468	4,506
Transport	4,280	4,280	5,214
Other household costs	7,708	7,708	5,717
Office and Admin costs	3,512	3,512	41,009
Health and Safety		-	4,405
Sponsorship costs	41,400	41,400	28,068
Mortgage Interest	24,239	24,239	12,463
Bed and Breakfast costs	266	266	2,250
Other accommodation costs	10,718	10,718	23,064
Repairs & Renovation costs	17,328	17,328	9,458
Depreciation of Property Improvements	5,027	5,027	5,027
	<u>232,532</u>	<u>232,532</u>	<u>270,224</u>

7. Donation

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Loan converted to donation			

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	50,456	40,785
Social security costs	–	–
	<u>50,456</u>	<u>40,785</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2020	2019
	No	No
Number of staff	<u>5</u>	<u>4</u>

No employee received remuneration of more than £60,000 during the year (2020 – Nil).

9. TRUSTEES' REMUNERATION

The trustees did not receive any remuneration or out of pocket expenses during the year.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS

	Freehold property £	property Improvements £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 January 2020	592,691	428,246	45,936	-	1,066,873
Additions					
At 31 December 2020	<u>592,691</u>	<u>428,246</u>	<u>45,936</u>	<u>-</u>	<u>1,066,873</u>
DEPRECIATION					
At 1 January 2020	231,225	234,038	45,936	-	511,199
Depreciation in year		5,027			5,027
At 31 December 2020	<u>231,225</u>	<u>239,065</u>	<u>45,936</u>	<u>-</u>	<u>516,226</u>
NET BOOK VALUE					
At 31 December 2019	<u>361,466</u>	<u>194,208</u>	<u>-</u>	<u>-</u>	<u>555,674</u>
At 31 December 2020	<u>361,466</u>	<u>189,181</u>	<u>-</u>	<u>-</u>	<u>550,647</u>

12. STOCKS

	2020 £	2019 £
Stock	<u>10,345</u>	<u>23,250</u>

13. DEBTORS

	2020 £	2019 £
Loans	890,000	890,000
Pre-payments	7,040	7,040
Trade debtors	<u>10,033</u>	<u>7,772</u>
	<u>907,073</u>	<u>904,812</u>

14. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	41,394	38,555
Trade creditors	5,732	11,570
VAT due at year end	549	2,785
Other creditors	5,411	12,852
Accruals	-	-
	<u>53,086</u>	<u>65,762</u>

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

14. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the charity:

	2020	2019
	£	£
Bank loans and overdrafts	<u>41,394</u>	<u>38,055</u>

15. CREDITORS: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	<u>915,986</u>	<u>958,657</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the charity:

	2020	2019
	£	£
Bank loans and overdrafts	<u>915,986</u>	<u>958,167</u>

16. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2020	and at 31 Dec 2020
	£	
Walled Garden		7,383
New Building Fund		4,568
		<u>11,951</u>

There have been no movements on restricted funds during the year ended 31 December 2020.

The Walled Garden Fund is a fund to finance the construction of the walled garden at the Madhyamaka Centre which was completed several years ago. The New Building Fund is a fund to finance the construction of new buildings at Madhyamaka KMC.

**MADHYAMAKA KADAMPA MEDITATION CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds:				
Walled Garden	7,383	-	-	7,383
New Building Fund	4,568	-	-	4,568
	<u>11,951</u>	<u>-</u>	<u>-</u>	<u>11,951</u>
Unrestricted Income Funds	538,696	946,285	(915,986)	568,995
Total Funds	<u>550,647</u>	<u>946,285</u>	<u>(915,986)</u>	<u>580,946</u>

18. COMPANY LIMITED BY GUARANTEE

The Company is limited by guarantee therefore in the event of winding up each member guarantees to pay up to £1 to help pay any outstanding liabilities of the Company.