

VIPASSANA TRUST
TRUSTEES' ANNUAL REPORT

VIPASSANA TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2020
COMPANY NUMBER:- 2246810
REGISTERED CHARITY NUMBER:- 327798

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

VIPASSANA TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MAY 2020

<u>CONTENTS:</u>	<u>PAGE</u>
Company Information	1
Trustees' Annual Report	2 - 5
Independent Auditor's Report	6 - 8
Statement of Financial Activities (Incorporating the Income and Expenditure Account)	9
Balance Sheet	10
Notes to the Financial Statements	11 - 15
The following page does not form part of the statutory financial statements:	
Detailed Statement of Financial Activities	16

Trustees for Financial Year 2019/20

President Tom Wolfe (resigned as president 2 November 2020)
Yuta Fairs-Billam (appointed president 2 November 2020)

Secretary Julie James

Treasurer Abhishek Srivastava

Trustees serving throughout the year

Datta Mandnikar
Priya Koel
Misty Simpson
Katja Fidler
Tom Wolfe
Jess Maloney

Trustees appointed during the year	Appointment Date
Eugenio Diz	9 September 2019
Lisle Turner	9 September 2019
Robert Doyle	9 September 2019
Sara Ghanchi	8 September 2019
Claire Coache	30 April 2020

Trustees resigned during the year	Resignation Date
Annamarie Beijl	23 March 2020
Jessica Maloney	9 September 2019
Madelaine Robinson	9 September 2019
Michael Abbott	9 September 2019
Misty Simpson	9 September 2019
Sally Nickless	9 September 2019
Timothy Mcgregor	9 September 2019

Company Number 2246810

Registered Office Dhamma Dipa
Pencoyd
St. Owens Cross
Hereford
HR2 8NG

Auditors RJ Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Bankers HSBC UK Bank plc
Bristol Commercial Centre
3 Temple Quay
4th Floor, Temple Back East
Bristol
BS1 6DZ

Charity Registered in England and Wales No:327798

VIPASSANA TRUST

TRUSTEES' ANNUAL REPORT

TRUSTEES' ANNUAL REPORT

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 May 2020.

AIMS AND CHARITABLE PURPOSES

Vipassana Trust exists to advance human happiness through the teaching of principles established by the late Sayagyi U Ba Khin. These include the practice of Vipassana meditation: a technique for developing concentration, insight and higher standards of morality that was originally taught by the Buddha.

ACTIVITIES – MEETING OUR CHARITABLE PURPOSES

Vipassana meditation courses are provided for adults and Anapana meditation courses are provided for children and young people. The trust's activities are based at two sites: Dhamma Dipa, a residential meditation centre at Pencoyd, Herefordshire; Dhamma Padhana, a second purpose-built residential centre adjacent to Dhamma Dipa. Additional courses are held at rented sites in the North of England and in Scotland.

The number of full-time adult participants (and number of courses) this year are summarised below (excluding 1-day courses):

Course Type	Dhamma Dipa	Dhamma Padhana	Total 19/20	Total 18/19
10-day	2,089 (18)	57 (1)	2,146 (19)	2,724 (25)
Other	124 (1)	639 (10)	763 (11)	536 (8)

Note: 10-day courses are the standard introduction of the technique to adult students; 'old' students, that is those who have already completed a course in this tradition, may participate in these courses as well as in others that are shorter or longer.

A Vipassana course for an adult is a rewarding but often demanding experience. The trust has a thorough application process to ensure that applicants understand the nature of what they are undertaking and have a good chance of benefiting from their commitment of time and effort.

RECENT ACHIEVEMENTS

Dhamma Dipa has been operating at its maximum number of students of 128 students per course for a number of years. We have waiting lists for most of our courses.

During this financial year Dhamma Padhana has a capacity per course of 72 students and achieved around 88% full on average (2018/19 72 student capacity and 90% full on average).

The first course was held there in October 2018. As noted below and in the accounts, Vipassana Trust is delighted to be in the position to make financial assistance available to assist with this exciting development.

FINANCIAL SUPPORT TO VIPASSANA TRUST (DHAMMA SUKHAKĀRI)

In January 2018 Walnut Tree Manor in Haughley Green, Suffolk was purchased for this purpose by the Dhamma Sukhakari Trust and this organisation has been able to support it in a number of ways including financially. During the financial year under review this meant

- Holding any funds still being donated to it for the East Anglia Fund as designated funds for Dhamma Sukhakari and transferring the balance to them from time to time
- Continuing the monthly support of £3,000 totalling £36,000 (2019 £36,000)

FUTURE STRATEGY

Vipassana Trust aims to facilitate the spread of Vipassana meditation as taught by S.N. Goenka in the UK.

For 2020/21, Vipassana Trust's primary objectives are:

1. To finalise the master plan for Dhamma Dipa
2. To get planning permission for the master plan
3. To communicate to the old student community a vision for the completion of Dhamma Dipa, to inspire the dana needed to realise it.

TRUSTEES' ANNUAL REPORT

The trust's other objectives for the year are:

4. To continue to work in collaboration with Dhamma Sukhakāri Trust for the spread of Vipassana meditation in the UK
5. To continue to support the existing regional groups in the UK.
and,
6. To support the development and implementation of the management systems at Dhamma Dīpa
7. To support the maintenance of the buildings and grounds at Dhamma Dīpa.

The Dhamma Padhāna Branch Future Strategies are:

1. To continue to provide suitable meditation facilities to those who wish to work more deeply in Vipassana Meditation, by providing longer courses and special courses at Dhamma Padhāna
2. To resolve the construction issues that have emerged with the zinc roofing of the Dhamma Padhāna pagoda
3. Once the roof issues have been resolved, to build a kitchen/dining/office block for Dhamma Padhāna, a laundry, and accommodations for up to 100 students' total.

FINANCIAL STATEMENT

The incoming resources for the year amounted to £1,020k (2018/19: £967k), expenditure was £906k (2018/19: £1,044k) leaving a net surplus of £114k (2018/19: deficit of £77k)

As stated in the note regarding a Contingent Liability for repairs to the Pagoda Roof the Trustees, since the completion of the Pagoda in July 2017 a defect with the parts of the roof has become apparent which will require replacement.

The Trust, through its subsidiary Vipassana Construction and Services Limited (VCSL), has sought legal advice and, while VCSL will do its best to resolve this dispute without resort to litigation, the Trustees need to understand the potential for litigation if settlement attempts fail as well as the attendant fees and costs of such litigation, many of which may not be recoverable even if there is a successful outcome.

COVID -19 Pandemic:

Like many other organisations Vipassana Trust has been affected by the Pandemic. A 'Covid Response Team was immediately set up by the Trust and several doctors, some of whom already serve other committees were included.

This has now become The Covid Group

The Trust is following Government Guidelines and has had communication with local health authorities. No public courses were held between late March and July but courses are now being run on both Campuses, which, following social distancing and other guidelines, have been for reduced numbers. This also assisted the Centre Management Team refine their compliance procedures.

The Trust's Cash Flow projections has been reworked regularly to reflect the change in the Government Guidelines and also used to establish the breakeven numbers on each campus.

Both branches (Dhamma Dīpa and Dhamma Padhana) were fortunate to have built up reserves to invest in new buildings and so have had something of a cushion to work with. They have also been supported by regular donations, which have not reduced despite the economic situation and by other generous dana from old students.

The effects on the organisation of all these changes and other factors are closely monitored and the cash flow and projections updated monthly.

The Trustees are confident that Vipassana Trust will be able to continue to run courses and achieve the breakeven numbers.

There may well be a second wave and another lockdown but even with this, using its reserves, we believe that the future of the organisation is secure.

ORGANISATION

Management of the trust's business affairs is by a Board of Directors.

Vipassana Trust directly runs a programme of ten-day and other shorter courses at Dhamma Dīpa. In addition, its branch, Dhamma Padhana, the European Long-Course Centre, is dedicated to running courses for experienced students. It provides special facilities for students who wish to take longer courses (20 days or more). Dhamma Dīpa and Dhamma Padhana share many facilities, in particular the office, kitchen and maintenance workshop.

In addition, it organises 3-day and 10-day courses at rented off-centre locations in different parts of the UK whenever possible. Unfortunately this has not been possible in the financial year under review.

No charges are made for attending courses, either by way of fees or accommodation expenses, and donations are accepted only from students who have successfully completed a 10-day course. It is made clear to all participants that these donations are not payment for the teaching and accommodation that they have received, but contributions towards the costs of providing courses in the future for others to attend. The donations are called 'dana' (a Pali word). Donations given at the end of a course (course dana) are the main source of funding for the trust, which also receives donations by way of monthly standing orders and one-off donations. We also receive student loans of varying amounts and duration.

VIPASSANA TRUST

TRUSTEES' ANNUAL REPORT

Teaching and serving (working) on courses is always done on a voluntary basis. The day to day running of the centre is largely done by volunteers although the Trust employs two part-time office staff and a full time maintenance co-ordinator. It also pays for the services of a part-time self-employed finance manager.

RESTRICTED FUNDS

Branch activities and specific projects are funded by donations given specifically for these activities and from surplus funds designated by trustees.

In addition, the trust collects dana from old students for specific projects or for its sister organisations in other countries such as the Global Pagoda fund. These monies are used solely to support the projects to which they have been donated. The Outreach and Global Pagoda Funds are the only ones that may receive gifts from those who have not completed a 10-day course.

SUBSIDIARY COMPANY

Vipassana Construction and Services Ltd (VCSL) was incorporated in 2013 but remained dormant until April 2015. It was set up after consultation with professional advisors as an appropriate way to manage and administer certain activities of Vipassana Trust which fall outside its main objectives, most specifically to act as principal contractor for its building projects. VCSL is a wholly owned subsidiary of Vipassana Trust and its directors are appointed by the trust.

RESERVES POLICY

The policy of the trust is to invest any liquid or current asset backed reserves in upgrading and building new facilities as funds allow after providing sufficient funds to meet the anticipated running costs of the organisation. Cash flow forecasts are prepared regularly to enable Trustees to make such investment decisions prudently.

The Net Current Assets below represents the position of the two main funds in terms of the net of cash and near cash current assets less provisions and liabilities due within one year.

	General Funds		Restricted funds		Total
	Dhamma Dipa	Designated	Dhamma Padhana	Other restricted	
2020					
Fixed Assets	1,797 k	-	3,697 k	-	5,494 k
Long Term Liabilities	(477 k)	-	(2,776 k)	-	(3,253 k)
Net Current Assets	266 k	53 k	611 k	11 k	942 k
Total Funds	1,586 k	53 k	1,532 k	11 k	3,182 k
2019					
Fixed Assets	1,918 k	-	3,700 k	-	5,619 k
Long Term Liabilities	(507 k)	-	(2,681 k)	-	(3,188 k)
Net Current Assets	26 k	41 k	555 k	15 k	638 k
Total Funds	1,438 k	41 k	1,575 k	15 k	3,069 k

FINANCIAL MANAGEMENT & RISK REVIEW

The finance committee regularly scrutinises the financial situation by way of monthly income and expenditure review, cash flow statements and forecasts. We aim to be prudent in our financial management with regards to commitments to future expenditure.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

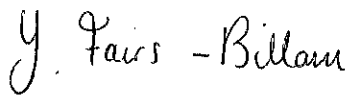
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

AUDITOR

A resolution to re-appoint R J Francis & Co Limited as auditor for the ensuing year will be proposed at the Annual General Meeting.

Registered office:
Dhamma Dipa
Pencoyd
St. Owens Cross
Hereford
HR2 8NG

Signed by order of the trustees



Yuta Fairs-Billam
Trust President

Date: 27th September 2020

VIPASSANA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIPASSANA TRUST

Opinion

We have audited the financial statements of Vipassana Trust for the year ended 31st May 2020, which comprise the Statement of Financial Activities, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st May 2020 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (IS As (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

VIPASSANA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIPASSANA TRUST

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 required us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' Report and from the requirement to prepare a Strategic Report.

VIPASSANA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIPASSANA TRUST

Responsibilities of the Trustees

As explained more fully in the Statement of trustees' Responsibilities (set out on page 3), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

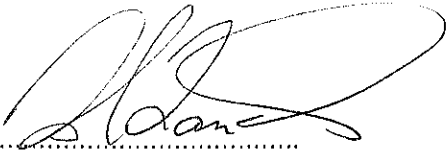
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
R J Francis (Senior Statutory Auditor)
For and on behalf of R J Francis & Co Limited, Statutory Auditor

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

27th September 2020

VIPASSANA TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST MAY 2020

		Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	Note	£	£	£	£
<u>INCOME AND ENDOWMENTS FROM:</u>					
Donations and Legacies	2	621,480	352,120	973,600	917,300
Investment income	3	27	95	122	39
Other Income	4	32,600	13,840	46,440	50,046
		<hr/>	<hr/>	<hr/>	<hr/>
		654,107	366,055	1,020,162	967,385
		<hr/>	<hr/>	<hr/>	<hr/>
<u>EXPENDITURE ON:</u>					
Costs of charitable activities	5	494,094	412,315	906,409	1,044,419
		<hr/>	<hr/>	<hr/>	<hr/>
		494,094	412,315	906,409	1,044,419
		<hr/>	<hr/>	<hr/>	<hr/>
<u>NET SURPLUS /</u>					
<u>(DEFICIT)</u>					
<u>FOR THE YEAR</u>	6	160,013	(46,260)	113,753	(77,034)
<u>TRANSFER BETWEEN FUNDS</u>					
		-	-	-	-
<u>RECONCILIATION OF FUNDS</u>					
Total funds brought forward		1,478,877	1,589,694	3,068,571	3,145,605
		<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL FUNDS CARRIED</u>		1,638,890	1,543,434	3,182,324	3,068,571
<u>FORWARD</u>		<hr/>	<hr/>	<hr/>	<hr/>

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.

	Note	<u>2020</u>		<u>2019</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	8		5,493,473		5,618,476
Investments	9		100		100
			<u>5,493,573</u>		<u>5,618,576</u>
<u>CURRENT ASSETS</u>					
Debtors	10	257,781		76,093	
Cash at Bank and in hand		1,010,538		927,671	
		<u>1,268,319</u>		<u>1,003,764</u>	
<u>CREDITORS: Amounts falling due within one year</u>	11	<u>326,103</u>		<u>366,121</u>	
<u>NET CURRENT ASSETS</u>			<u>942,216</u>		<u>637,643</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>6,435,789</u>		<u>6,256,219</u>
<u>CREDITORS: Amounts falling due after more than one year</u>	12	<u>3,087,586</u>		<u>3,024,274</u>	
Provisions for liabilities and charges	13	<u>165,879</u>		<u>163,374</u>	
			<u>3,253,465</u>		<u>3,187,648</u>
<u>NET ASSETS</u>			<u>£3,182,324</u>		<u>£3,068,571</u>
<u>FUNDS</u>					
Restricted Income Funds	14		1,543,434		1,589,694
Unrestricted Income Funds	15		1,638,890		1,478,877
<u>TOTAL FUNDS</u>			<u>£3,182,324</u>		<u>£3,068,571</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and signed on behalf of the board on 27th September 2020.

Y. Fairs - Billam Director
Yuta Fairs-Billam

Trust President and Director

VIPASSANA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2020

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) 'Accounting and Reporting by charities applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Cash Flow Statement

The trustees have taken advantage of the exemption in Update Bulletin 1 from including a cash flow statement in the financial statements on the grounds that the Company is small.

c) Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land & Buildings	-	2%	Straight Line
Fixtures, Fittings and Equipment	-	20%	Straight Line
Motor Vehicles	-	25%	Straight Line

d) Foreign Currency

Transactions in foreign currency are recorded at the rate on the day when the transaction is made. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the closing exchange rates on that date; any exchange differences are recognised in the profit and loss account.

<u>DONATIONS AND LEGACIES</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Dana	409,112	235,432	644,544	796,306
Gift Aid	61,116	13,373	74,489	102,085
Dana from other centres	1,252	103,315	104,567	15,909
Legacies	150,000	-	150,000	3,000
	621,480	352,120	973,600	917,300

<u>INVESTMENT INCOME</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Bank Interest Receivable	27	95	122	39

<u>OTHER INCOME</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Foreign Exchange Gain	-	-	-	-
Wayleaves	154	-	154	154
Feed in Tariff Income	4,328	-	4,328	4,438
Other Income	90	5	95	135
RHI Subsidy	28,028	13,835	41,863	45,319
	32,600	13,840	46,440	50,046

VIPASSANA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2020

5.	<u>COST OF CHARITABLE ACTIVITIES</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
	Cost of Charitable Activities	494,094	412,315	906,409	1,044,419
		<hr/>	<hr/>	<hr/>	<hr/>

Cost of Charitable Activities includes:

<u>GOVERNANCE COSTS</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Audit Fees	4,566	-	4,566	4,504
	<hr/>	<hr/>	<hr/>	<hr/>

6. NET (OUTGOING) / INCOMING RESOURCES FOR THE YEAR

This is stated after charging:	2020 £	2019 £
Auditor's Remuneration	4,566	4,504
Depreciation	160,240	164,245
	<hr/>	<hr/>

7. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:	2020 £	2019 £
Wages and Salaries	45,165	40,610
Social Security Costs	-	-
	<hr/>	<hr/>
	£45,165	£40,610
	<hr/>	<hr/>

Particulars of employees:

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

2020 No.	2019 No.
2	2
<hr/>	<hr/>

No employee received emoluments of more than £60,000 during the year (2019 - £Nil).

VIPASSANA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2020

8. TANGIBLE FIXED ASSETS

	Land & Buildings £	Dhamma Padhana Buildings £	Plant & Equipment £	Motor Vehicles £	Total £
<u>Cost</u>					
At 1 st June 2019	3,372,509	4,217,345	20,609	13,342	7,623,805
Additions	15,309	19,928	-	-	35,237
Disposals	-	-	(3,424)	-	(3,424)
At 31st May 2020	<u>3,387,818</u>	<u>4,237,273</u>	<u>17,185</u>	<u>13,342</u>	<u>7,655,618</u>
<u>Depreciation</u>					
At 1 st June 2019	1,520,647	455,030	16,310	13,342	2,005,329
Charge for the Year	70,731	88,076	1,433	-	160,240
On Disposals	-	-	(3,424)	-	(3,424)
At 31st May 2020	<u>1,591,378</u>	<u>543,106</u>	<u>14,319</u>	<u>13,342</u>	<u>2,162,145</u>
<u>Net Book Value</u>					
At 31st May 2020	<u>1,796,440</u>	<u>3,694,167</u>	<u>2,866</u>	<u>-</u>	<u>£5,493,473</u>
At 31 st May 2019	<u>1,851,862</u>	<u>3,762,315</u>	<u>4,299</u>	<u>-</u>	<u>£5,618,476</u>

9. INVESTMENTS

	2020	2019
Participating Interest At Cost	£100	£100

Representing 100% of Ordinary Shares held for Vipassana Construction and Services Limited.

10. DEBTORS

	2020	2019
	£	£
Gift Aid Outstanding	13,012	11,463
Prepayments	15,095	16,826
RHI Subsidy	15,213	11,480
Other Debtors	214,125	25,145
Amounts owed by Subsidiary Undertaking	336	11,179
	<u>£257,781</u>	<u>£76,093</u>

11. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Trade Creditors	15,180	29,427
Bank Loan	28,597	26,704
Student Loans	251,582	253,916
Taxation and Social Security	1,182	919
Accruals	20,231	18,818
Other Creditors	9,331	36,337
	<u>£326,103</u>	<u>£366,121</u>

VIPASSANA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2020

12.	<u>CREDITORS: Amounts falling due after more than one year</u>	2020	2019
		£	£
	Bank Loan		
	Due within 1 - 2 years	64,179	62,099
	Due within 2 - 5 years	68,552	66,330
	Due after 5 years	343,546	378,387
		<hr/>	<hr/>
		476,277	506,816
	Student Loans:		
	Due within 1 - 2 years	179,033	240,343
	Due within 2 - 5 years	404,891	207,151
	Due after 5 years	2,027,385	2,069,964
		<hr/>	<hr/>
		2,611,309	2,517,458
		<hr/>	<hr/>
		£3,087,586	£3,024,274
		<hr/>	<hr/>
13.	<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	2020	2019
		£	£
	Provision for future payment of reciprocal gifts	£165,879	£163,374
		<hr/>	<hr/>

Reciprocal gifts represent Dana given by centres across Europe to support the building of the European Long Course Centre. The Trust would like to be in a position to reciprocate with similar support back to those donors at some time in the future. For this reason the Trust, while acknowledging the income, has made full provision to meet this aspiration when this should become possible.

14.	<u>RESTRICTED FUNDS</u>			
		Balance as	Incoming /	Balance
		at 1st June 2019	(Outgoing)	31st May 2020
		£	Resources	£
			£	
	Dhamma Padhana	1,574,679	(42,730)	1,531,949
	Subtotal	<hr/>	<hr/>	<hr/>
		1,574,679	(42,730)	1,531,949
	Outreach Fund	6,309	440	6,749
	Kenya Fund	180	-	180
	Grand Pagoda Fund (India)	1,601	415	2,016
	Second Centre	6,825	(6,825)	-
	Dhamma Tapovana Fund (India)	100	49	149
	New Building Fund	-	1,763	1,763
	Vipassana Research Institute	-	628	628
		<hr/>	<hr/>	<hr/>
		15,015	(3,530)	11,485
		<hr/>	<hr/>	<hr/>
		1,589,694	(46,260)	1,543,434
		<hr/>	<hr/>	<hr/>

NOTES EXPLAINING NATURE OF FUNDS

Outreach Fund: for promoting the spread of Dhamma in the UK.

Second Centre Fund: for collecting donations to open a second 10-day centre in the UK. It was agreed that the Second Centre Fund should be reclassified as a restricted fund, with the brought forward balance as a designated fund being transferred with effect from 1st June 2017.

New Building Fund: for the new building projects at Dhamma Dipa

Funds donated to Vipassana Trust on behalf of affiliated overseas organisations:

- Vipassana Research Institute (in India)
- Grand Pagoda Fund (India)
- Dhamma Tapovana Fund (India)
- Kenya Fund

VIPASSANA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2020

15. UNRESTRICTED FUNDS

	Balance as at 1 st June 2019	Incoming / (Outgoing) Resources	Transfer of Funds	Balance 31st May 2020
	£	£	£	£
Unrestricted Funds	1,437,501	148,112	-	1,585,613
<u>Designated Funds</u>				
East Anglia Fund	2,334	(266)	-	2,068
North of England	38,879	8,941	-	47,820
Scotland	163	3,226	-	3,389
	<u>1,478,877</u>	<u>160,013</u>	<u>-</u>	<u>1,638,890</u>

Designated funds are allocated by the trustees for specific purposes. Any decision to designate funds requires express approval of the Trust.

REALIGNMENT OF FUNDS:

With the exception of funds given to Dhamma Padhana, the Second Centre Fund and certain overseas Trusts it is Trust's policy only to accept funds as 'restricted' in special circumstances and that, as far as possible, all Dana is given to assist with the spread of Dhamma throughout the UK in line with the Trust's overall objectives.

When Dana is given at the end of courses not held at Dhamma Dipa or Dana is given to further Dhamma in certain geographical areas within the UK it is made clear that such funds are of a 'designated' nature. That is the Trustees will apply such funds to that area or to other areas within the UK in line with the general objectives of the Trust. This has not been reflected clearly in the accounts up until now. The readjustment of funds from Restricted to Designated is to reflect the position correctly.

Renaming of Dhamma Sukhakari Fund:

In November 2017, a Vipassana Trust (Dhamma Sukhakari) was set up as a separate organisation, as mentioned elsewhere. To assist in clarity Fund previously called the Dhamma Sukhakari Fund has been renamed as the East Anglia Fund.

16. RELATED PARTY TRANSACTIONS

There were no loans from Trustees to the charity still repayable at the year end (2019 £Nil).

Vipassana Trust holds a participating interest in Vipassana Construction and Services Limited. All transactions between the two Companies are at a strictly agreed commercial rate. Included in the other creditors figure at Note 12 in the accounts are amounts due to Vipassana Construction and Services Limited totalling £9,090 (2019 - £8,669).

17. COMPANY LIMITED BY GUARANTEE

Under the terms of the Company's Memorandum and Articles every member of the Company undertakes to contribute to the assets of the Company if it is wound up during the time that they are a member, or within one year afterwards for payment of debts and liabilities of the Company contracted before they ceased to be a member, up to a maximum of £100.

18. CAPITAL COMMITMENTS

There are no capital commitments at the year end and none are anticipated for a number of months.

19. CONTINGENT LIABILITIES

Since the completion of the Pagoda in July 2017, a defect with parts of the roof has become apparent, which will require replacement.

The Trust, through its subsidiary Vipassana Construction and Services Limited (VCSL), has sought legal advice and, while VCSL will do its best to resolve this dispute without resort to litigation, the Trustees need to understand the potential for litigation if settlement attempts fail as well as the attendant fees and costs of such litigation, many of which may not be recoverable even if there is a successful outcome.

VIPASSANA TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MAY 2020

	Dhamma Dipa	Dhamma Padhana	East Anglia Fund	Other Restricted Funds	2020 Total	2019 Total
Income						
Dana	406,277	231,122	2,835	4,310	644,544	796,306
Gift Aid	60,762	13,072	354	301	74,489	102,085
Dana from other centres	1,252	103,315	-	-	104,567	15,909
	<u>468,291</u>	<u>347,509</u>	<u>3,189</u>	<u>4,611</u>	<u>823,600</u>	<u>914,300</u>
Bank Interest Received	27	95	-	-	122	39
Wayleaves	154	-	-	-	154	154
Feed in Tariff Income	4,328	-	-	-	4,328	4,438
Legacies	150,000	-	-	-	150,000	3,000
RHI Subsidy	28,028	13,835	-	-	41,863	45,319
Sundry Income	90	5	-	-	95	135
	<u>650,918</u>	<u>361,444</u>	<u>3,189</u>	<u>4,611</u>	<u>1,020,162</u>	<u>967,385</u>
Expenditure						
- Monthly Contributions	36,000	-	-	-	36,000	36,000
- Fund Transfers	-	-	3,596	6,838	10,434	363,554
Other Course Expenses	10,081	4,128	-	72	14,281	30,949
Kitchen	108,202	59,391	-	-	167,593	208,895
Household	15,579	7,228	-	-	22,807	39,308
Maintenance	104,590	70,941	-	-	175,531	100,983
Publicity & Newsletter	-	450	-	1,200	1,650	394
Office Costs	52,669	30,607	-	-	83,276	85,640
Utilities, Rates and Insurance	67,800	46,835	(215)	-	114,420	131,447
Motor Expenses	2,513	1,374	-	-	3,887	3,089
Financial Costs	3,052	2,543	74	31	5,700	6,002
Mortgage Interest and Loan Interest	19,422	39,694	-	-	59,116	53,546
Foreign Exchange Losses	-	51,474	-	-	51,474	45,096
	<u>419,908</u>	<u>314,665</u>	<u>3,455</u>	<u>8,141</u>	<u>746,169</u>	<u>1,104,903</u>
Change in Current Assets	231,010	46,779	(266)	(3,530)	273,993	(137,518)
Depreciation	70,731	89,509	-	-	160,240	164,245
Gain on Realisation	-	-	-	-	-	(224,729)
Total Costs	<u>490,639</u>	<u>404,174</u>	<u>3,455</u>	<u>8,141</u>	<u>906,409</u>	<u>1,044,419</u>
Net (Loss) / Gain Year	<u>160,279</u>	<u>(42,730)</u>	<u>(266)</u>	<u>(3,530)</u>	<u>113,753</u>	<u>(77,034)</u>
Balance of funds brought forward	1,476,543	1,574,679	2,334	15,015	3,068,571	3,145,605
Transfer of funds	-	-	-	-	-	-
	<u>1,476,543</u>	<u>1,574,679</u>	<u>2,334</u>	<u>15,015</u>	<u>3,068,571</u>	<u>3,145,605</u>
Balance of funds carried forward	<u>1,636,822</u>	<u>1,531,949</u>	<u>2,068</u>	<u>11,485</u>	<u>3,182,324</u>	<u>3,068,571</u>

Note that the above are balances of revenue reserves (income less expenditure) and do not reflect capital expenditure. To arrive at the figure for funds available for projects capital expenditure should be deducted. Please refer to notes 8 and 18.

The unrestricted funds total for Dhamma Dipa includes the following designated funds: -

Dhamma Sukhakari	£2,068	(2019 - £2,334)
North of England	£47,820	(2019 - £38,879)
Scotland	£3,389	(2019 - £163)