

THE DHARMA TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013



THE DHARMA TRUST

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THE DHARMA TRUST

**TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2013**

Trustees

Nicholas Barter
Gudrun Schmitt
Keith Howell
Roger Britton
Mollie Crawford
Joan Mitchell
Louise Kuka

THE DHARMA TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2013

Company registered number	04332473
Charity registered number	1090628
Registered office	Marpa House Rectory Lane Ashdon Saffron Walden Essex CB10 2HN
Company secretary	Roger Britton
Accountants	Larking Gowen Limited Chartered Accountants 1 Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL

THE DHARMA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2013

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Dharma Trust (the trust) for the year ended 31 March 2013. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

The trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 27/11/2001.

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

New trustees are nominated by the trustees, there being consultation with members of the centre at the Annual Members meeting. At the meeting the trustees report of the year's activities, and invite discussion from Members, who also elect new Committee members.

The trustees of The Dharma Trust are identical with the trustees of The Dharma Trust (1976). At the time of formation of The Dharma Trust the assets and liabilities of it and The Dharma Trust (1976) were merged, and, by Deed, the assets and liabilities of The Dharma Trust (1976) were assigned to The Dharma Trust, with the former thereafter being dormant.

The management committee who served during the year were

Ian Crowther
Tansy Miller
Terry Miller
Neeltje Berger
Sian Rabi-Laleh
Ben Henriques
Paul Wotton
Eva Wood

The trustees delegate the day to day affairs of the centre to the management committee and house secretary. The centre is staffed by resident volunteers who receive an honorarium intended to reimburse personal expenses, and a paid non-resident House Administrator.

Investment powers are governed by the rules of the trust which permit funds to be invested in stock, shares, funds and securities or other investments or property.

Amrita Dzong, a London centre with the same aims and objectives (but its own Trustees), has links with the Dharma Trust. Teachers may visit and teach at both centres, expenses then shared.

The trustees have reviewed last year's activity against the Trust's policies and have in place strategies to comply with those policies.

THE DHARMA TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2013

Objectives and Activities

The trust was formed for charitable objects or purposes connected with

- the advancement of the Tibetan Buddhist religion
- the advancement of education according to Tibetan Buddhist principles
- the conduct of study and research into the principles and practice of Tibetan Buddhist medicine

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'

The trust promotes Buddhism to the general public in a number of ways. The Centre is open to the public, and at no charge when no events are scheduled. All interested are able to visit for free as day visitors (local organisations, eg schools, often take up this offer). For those who wish to stay overnight, our charges are fixed at the lowest level economically possible. Course fees are fixed as low as possible. Student led introductory courses are free. Young Sangha weekends are provided at heavily subsidised rates. Those who wish to take practice further are encouraged to (and do) come on staff and live within the community, receiving full board, free admission to all courses and a small honorarium to cover their expenses.

It is only looking back over the year that one sees how much has happened. We have been blessed with a series of visits and teachings from a variety of Tibetan monks and Khenpos. Venerable Ngawang Sonam (interpreter to HH Dalai Lama) taught on Lama Tsongkhapa in June, followed by Khenpo Tsewang (chaplain to the Gurkha regiments) weekend teaching on the Bardo in December and finally, we received the huge benefit of two months (March-April 2013) of residential teaching of scriptural Tibetan by Khenpo Gyurme. Our dear friend, Lama Samten, joined us in September to give residential teachings. Meanwhile, our own western teachers, Lama Alasdair and John Howard joined us. John gave a beginners course at the very beginning of the year, and then led a retreat over Christmas-New Year, Lama Alasdair gave teachings on the Dorje Chang prayer over a weekend in November and Venerable Tenzin taught Mahamudra over a May weekend. The Young Sangha held weekends in September and January, whilst we provided a weekend for a residential meeting of Members in November. Karmir Rabi-laleh gave a weekend teaching on Medicine Buddha and David Crawford a Saturday introductory teaching in July. Amongst all this activity, the remaining first Sundays in each month were given to students of Rinpoche to improvise their own guidance to silent meditation.

Crowning all of this was the ever present activity of our Lama, Venerable Chime Rinpoche. He taught Dzogchen to a bursting tent of students in May, then joined us for our August summer tea party. His birthday saw him back with us in October to let us celebrate with him. As Losar came in 2013, he joined us and, unexpectedly, led a closed meditation retreat for the preceding few days. A week later, on the 40th anniversary of the House first opening to guests, Rinpoche allowed us to muster all the ritual we could to make a formal Mandala presentation to him as thanks for his gift of Marpa House and his teachings. This event was streamed to the world, to all of the students on the various continents and who could sit with us.

Our 40/40 project for the upgrading of facilities at Marpa House has continued. Further work has been carried out in the retreat, as the long suffering 'blue bathroom' was finally overhauled. More windows have been double glazed. As at the end of the financial year, the Trustees have resolved to expend approximately £11,800 from reserves on the next phases of the project.

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. During the year, it became apparent that we faced a surge in expenses (particularly in hearing, food and staffing). This led to a close monitoring of

THE DHARMA TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2013

expenditure, the setting of detailed budgets and, a further increase in residential fees. For these reasons the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial review

Charitable expenditure and the cost of administering was £87,995 (which includes a book entry of £2,711 for depreciation). Gross income was £90,666.

Asset cover for funds

Note 13 sets out an analysis of the assets attributable to the various funds and a description of the trusts activities.

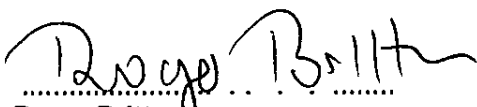
These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Reserves Policy

The Trustees aim to hold as reserve a sufficient sum to cover a significant and unexpected emergency expenditure (eg a failed boiler), envisaged at about £12,000. Our lack of borrowings and our level of insurance insulates us from consequences of closure by way of insured damage. Historically, our reserves have been well over double that, but which has excited attention from our accountants as being excessive. This policy is regularly under review.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the trustees on 30/11/2013 and signed on their behalf by


.....
Roger Britton
Trustee

THE DHARMA TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2013

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DHARMA TRUST

I report on the financial statements of the company for the year ended 31 March 2013 which are set out on pages 7 to 14

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

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

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

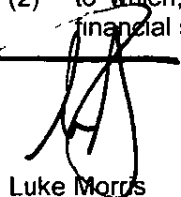
BASIS OF INDEPENDENT EXAMINER'S REPORT

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 company 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 statement below.

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 requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare financial statements which accord with the accounting records and 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 Charitieshave not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached



Luke Morris ACA

LARKING GOWEN LIMITED

Chartered Accountants
1 Claydon Business Park
Great Blakenham
Ipswich
Suffolk
IP6 0NL

3 December 2013

THE DHARMA TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2013

	Note	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Donations and legacies	2	-	42,069	42,069	27,354
Investment income	3	-	46	46	46
Incoming resources from charitable activities	4	-	48,551	48,551	38,163
TOTAL INCOMING RESOURCES		-	90,666	90,666	65,563
RESOURCES EXPENDED					
Charitable activities	5,6	-	86,722	86,722	68,680
Governance costs	7	-	1,273	1,273	974
TOTAL RESOURCES EXPENDED		-	87,995	87,995	69,654
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		-	2,671	2,671	(4,091)
<i>Total funds at 1 April 2012</i>		<i>212</i>	<i>394,979</i>	<i>395,191</i>	<i>399,282</i>
TOTAL FUNDS AT 31 MARCH 2013		212	397,650	397,862	395,191

The notes on pages 9 to 14 form part of these financial statements

THE DHARMA TRUST
REGISTERED NUMBER: 04332473

BALANCE SHEET
AS AT 31 MARCH 2013

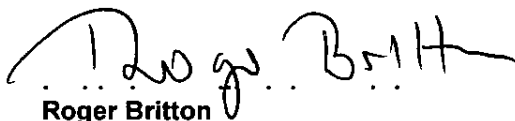
	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	9		369,994		372,705
CURRENT ASSETS					
Debtors	10	6,748		4,846	
Cash at bank and in hand		22,380		18,840	
		<u>29,128</u>		<u>23,686</u>	
CREDITORS: amounts falling due within one year	11	(1,260)		(1,200)	
NET CURRENT ASSETS			<u>27,868</u>		<u>22,486</u>
NET ASSETS			<u>397,862</u>		<u>395,191</u>
CHARITY FUNDS					
Restricted funds	12		212		212
Unrestricted funds	12		397,650		394,979
TOTAL FUNDS			<u>397,862</u>		<u>395,191</u>

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2013 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the trustees on 30 November 2013 and signed on their behalf, by


Roger Britton

The notes on pages 9 to 14 form part of these financial statements

THE DHARMA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Incoming resources

All incoming resources are included in the statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.3 Fund accounting

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

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

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

THE DHARMA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

In presenting the financial statements the trustees have taken the view that the company is a going concern. The company is currently reliant upon a significant level of support from the trustees. In making the assessment the trustees have considered the continuing support from that source in the next twelve months following the approval of the financial statements.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	is not depreciated
Freehold buildings	-	1% on valuation
Fixtures & fittings	-	33.3% on cost

1.7 Irrecoverable VAT

Resources expensed include attributable VAT which cannot be recovered.

2. DONATIONS AND GIFTS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Donations and gifts	-	42,069	42,069	27,354

3. INVESTMENT INCOME

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Interest receivable	-	46	46	46

THE DHARMA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
House and retreat income	-	17,442	17,442	20,134
Course and teaching	-	27,301	27,301	16,089
Sale of tapes and CDs	-	2,368	2,368	500
Rental income	-	1,440	1,440	1,440
	<u>-</u>	<u>48,551</u>	<u>48,551</u>	<u>38,163</u>

5. DIRECT COSTS

	Costs associated with running Marpa House £	Costs associated with courses and teaching £	Total 2013 £	Total 2012 £
Staff costs	10,672	-	10,672	8,199
Other costs	65,498	7,841	73,339	57,770
	<u>76,170</u>	<u>7,841</u>	<u>84,011</u>	<u>65,969</u>

6. SUPPORT COSTS

	Costs associated with running Marpa House £	Total 2013 £	Total 2012 £
Depreciation	2,711	2,711	2,711

7. GOVERNANCE COSTS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Examiner's remuneration	-	1,273	1,273	974

The financial statements include £1,260 payable to the reporting accountants for their external scrutiny

THE DHARMA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

8. NET INCOME / (EXPENDITURE)

This is stated after charging/(crediting)

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the charity	2,711	2,711
Reversal of impairment of fixed assets	-	(974)
	<u>2,711</u>	<u>(974)</u>

During the year, no trustees received any remuneration (2012 £NIL)

During the year, no trustees received any benefits in kind (2012 £NIL)

During the year, 1 trustee received any reimbursement of subsistence expenses for £127 (2012 £144)

During the year, committee expenses totalled £123 (2012 £661)

9 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Fixtures & fittings £	Total £
Cost			
At 1 April 2012	399,768	630	400,398
Disposals	-	(630)	(630)
At 31 March 2013	<u>399,768</u>	<u>-</u>	<u>399,768</u>
Depreciation			
At 1 April 2012	27,063	630	27,693
Charge for the year	2,711	-	2,711
On disposals	-	(630)	(630)
At 31 March 2013	<u>29,774</u>	<u>-</u>	<u>29,774</u>
Net book value			
At 31 March 2013	<u>369,994</u>	<u>-</u>	<u>369,994</u>
At 31 March 2012	<u>372,705</u>	<u>-</u>	<u>372,705</u>

THE DHARMA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

10. DEBTORS

	2013 £	2012 £
Other debtors	6,748	4,846

**11. CREDITORS:
Amounts falling due within one year**

	2013 £	2012 £
Other creditors	1,260	1,200

12 STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Funds - all funds	394,979	90,666	(87,989)	397,656
Other General funds	-	-	(6)	(6)
	<u>394,979</u>	<u>90,666</u>	<u>(87,995)</u>	<u>397,650</u>
Restricted funds				
Golden Rosary	32	-	-	32
Bursary fund	180	-	-	180
	<u>212</u>	<u>-</u>	<u>-</u>	<u>212</u>
Total of funds	<u>395,191</u>	<u>90,666</u>	<u>(87,995)</u>	<u>397,862</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	394,979	90,666	(87,995)	397,650
Restricted funds	212	-	-	212
	<u>395,191</u>	<u>90,666</u>	<u>(87,995)</u>	<u>397,862</u>

THE DHARMA TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	369,994	369,994	372,705
Current assets	212	28,916	29,128	23,687
Creditors due within one year	-	(1,260)	(1,260)	(1,200)
	<u>212</u>	<u>397,650</u>	<u>397,862</u>	<u>395,191</u>

14. CONTROLLING PARTY

The ultimate controlling party are the trustees of the Trust