

DZOGCHEN BEARA TRUST

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

YEAR ENDED 31ST DECEMBER 2016

DZOGCHEN BEARA TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2016**

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DZOGCHEN BEARA TRUST

**TRUSTEES AND OTHER INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2016**

TRUSTEES	Philip Philippou Patrick Plunkett Susan Browne Brendan Doyle Lucie Cohen Anthony MaCay
MANAGEMENT TEAM	Patricia Healy (step down Sept 2016) Malcolm MacClancy Kathryn O'Flaherty (Sept 2016) Leon Rossiter (Sept 2016)
PRINCIPAL OFFICE	Garranes Allihies County Cork
AUDITORS	Crowleys DFK 5 Lapp's Quay Cork
SOLICITORS	BDM Boylan Solicitors Incorporating Dillon Mullins, Mullins, Lynch, Byrne Clarks Bridge House Hanover Street Cork
PRINCIPAL BANKERS	AIB Bank The Square Castletownbere County Cork

DZOGCHEN BEARA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2016

Aims and policies

The primary objectives of the Dzogchen Beara Trust are:

To provide a meditation and retreat centre at Garranes, Allihies, West Cork, for the advancement, promotion and preservation of the Buddhist tradition.

To teach and train in the care of the dying, to provide active support for the bereaved and to promote an understanding of death.

To promote where possible closer relations, greater understanding and mutual respect between Buddhism and other great world faiths following the example set by His Holiness the 14th Dalai Lama.

To provide support for the community to practice at the centre.

Dzogchen Beara offers:

A Public Programme of weekend courses and retreats that includes student led weekends offering an introduction to meditation, loving-kindness meditation and compassion practices.

Weekend and longer retreats led by Sogyal Rinpoche and other eminent Tibetan masters.

Long term and short term personal retreats.

A Welcome Centre, including shop and tearoom and accommodation, which are rented to visitors who attend events and wish to take quiet breaks.

Organisation

Dzogchen Beara Trust was constituted by Trust Deed on 8th August 1992. The Trust's Spiritual Director is responsible for supervising and authorising the spiritual activities of the Trust. The Spiritual Director is the Venerable Lama Sogyal Rinpoche.

The Spiritual Director nominates all Trustees. The day-to-day operations of Dzogchen Beara are the responsibility of the management team.

Rigpa International, based in France, oversees the Rigpa centres worldwide. Regular financial reports are sent to the International Finance Board for review. The International Finance Board also approves all major capital expenditure projects and provides support to management teams.

Trustee Responsibilities

The Board of Trustees is required to prepare financial statements, which give a true and fair view of the state of the charity's affairs and of its income and expenditure for the year. In preparing the financial statements, the Board of Trustees is required to select suitable accounting policies, to apply them consistently, and to make judgements and estimates that are reasonable and prudent.

The Board of Trustees is responsible for keeping proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the charity. To ensure that proper books and records are kept, the charity has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. It is 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.

DZOGCHEN BEARA TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2016

Review of activities

Dzogchen Beara operations

The Welcome Centre: the shift into providing tearoom/gift shop is proving to be a very positive move. We will continue to develop the cafe theme and all efforts will be placed into making it a bigger income resource. The Public Programme is increased, we provide a greater amount of Events/Retreats and also continue with the Free Spirit Events.

Spiritual care building

Matters remain outstanding regarding the professional design team and the Trust and independent professional advice was commissioned to clarify issues of performance and liability. It was determined that we should proceed through the Courts and we currently await a date for same. We have supplied our Solicitors with every document they requested and are currently awaiting court date.

Temple project Ireland

The Trust obtained updated cost estimate for the temple with a revised figure of €1.8 million (early 2015).

The go ahead to "Start Building" came in June 2015 and the ground works started in November 2015. Beara Building Ltd, were awarded the contract. The ground works were completed in April 2016 and we achieved Roof Level late 2016. We are currently reviewing the cost for next phase in the build.

Development

We have continued to upgrade all accommodation in Dzogchen Beara, We will maintain our Cottages, Hostel and Care Centre to the highest level. We have renewed our association with Failte Ireland, with the Welcome Standard for Accommodation, ensuring that we are committed to maintaining high standards and practices throughout our business.

Taxation status

Dzogchen Beara Trust has been granted charitable status under Sections 1094 and 1095 of the Taxes Consolidation Act 1997.

Signed on behalf of the Trustees


Patrick Plunkett


Brendan Doyle

Date: 26/01/18

DZOGCHEN BEARA TRUST

ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2016

The financial statements are prepared on a historical cost accounting basis with all fixed assets valued at cost or value at time of donation.

Income from public programme events, courses, accommodation, bookshop activities and donations are recorded upon receipt. Income from long-term retreats is based upon invoiced amount spread over the period of the retreat.

All expenses are accounted for on an accruals basis. The irrecoverable amount of VAT is included in the item of expense to which it relates.

Stock

Stocks are valued at the lower of cost, or net realisable value. Cost represents the invoiced price of the goods, including irrecoverable VAT.

Fixed assets

Fixed Assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided at such rates as will write off the cost of the assets over the period of their expected useful lives. Principal rates of depreciation are as follows:

Freehold Land	0%
Freehold Buildings	0%-2%
Motor Vehicles	20%
Fixtures and Fittings	12.5%-20%
Equipment	20%-25%
Assets under Construction	0%

Assets under construction, represents the costs incurred in the building of new assets or upgrading existing assets. The total cost, where reflecting fair value, is transferred to the relevant asset category and depreciation charged upon completion of construction.

DZOGCHEN BEARA TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DZOGCHEN BEARA TRUST FOR THE YEAR ENDED 31ST DECEMBER 2016

We have audited the financial statements on pages 9 to 12 of Dzogchen Beara Trust for the year ended 31st December 2016 which comprise the income statement, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' 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 Trust and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of Trustees' Responsibilities the Trustees are responsible for the preparation of the financial statements in accordance with the accounting policies set out on page 6.

Our responsibility is to audit the financial statements in accordance with relevant regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with the accounting policies in all material respects and present the state of affairs and results of the Trust in accordance therewith. We state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to whether the Trust has kept proper books of account.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

DZOGCHEN BEARA TRUST

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DZOGCHEN BEARA TRUST
FOR THE YEAR ENDED 31ST DECEMBER 2016**

Opinion

In our opinion the financial statements have been properly prepared in all material respects in accordance with the accounting policies and present the state of the Trust's affairs as at 31st December 2016 and of its surplus for the year then ended.

We have obtained all the information and explanations that we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Trust. The financial statements are in agreement with the books of account.

Crowleys DFK Unlimited Company
Chartered Accountants and Registered Auditors
5 Lapps Quay
Cork

Date:

DZOGCHEN BEARA TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2016**

	General Funds 2016 €	Restricted Funds 2016 €	Total DzB Trust 2016 €	Total DzB Trust 2015 €	Total DzB Trust 2014 €
Income					
Retreats, Programme & Related Activities	319,393	-	319,393	336,801	287,003
Membership	1,570	-	1,570	(1,623)	1,359
Accommodation	118,189	-	118,189	81,715	87,252
General Donations	67,792	-	67,792	87,063	82,596
Restricted Funds Donations	-	702,904	702,904	239,174	50,464
Appeals and Donations: DzB Dev Fund OnLine	10	-	10	5	-
Book Shop Net	171,217	-	171,217	134,879	115,677
Contribution from Catering	81,254	-	81,254	63,085	132,770
Contrib. for Central Costs	44,247	-	44,247	21,153	10,545
Deposit Interest	163	-	163	269	2
Rent Receivable	17,722	-	17,722	13,662	15,368
Other Income	10,404	-	10,404	13,187	11,092
Special Practice Requests	5	-	5	96	-
Total Income	831,966	702,904	1,534,870	989,467	794,129
Expenditure					
Retreats Programme & Related Activities	34,654	-	34,654	36,613	38,871
Fund raising	2,152	-	2,152	791	1,511
Staff Expenditure	324,178	-	324,178	265,902	288,489
Shop Expenditure	62,789	-	62,789	61,006	46,642
Office Costs	54,081	-	54,081	51,282	43,073
Catering expenses	93,762	-	93,762	75,491	162,119
Rent and Insurance	44,810	-	44,810	50,129	47,179
Site and Accommodation	76,603	-	76,603	68,589	88,923
General Practice Offerings	108	-	108	108	-
Bank Charges and Interest	11,541	-	11,541	10,253	9,331
Audit Fees	12,689	-	12,689	-	8,248
Legal and Professional Fees	34,349	-	34,349	128,421	33,178
Depreciation	36,144	88,227	124,371	45,596	127,762
Donations to Other Organisations	25,721	-	25,721	30,346	25,069
Impairment - Spritual Care Building	-	-	-	750,000	-
Fund Distribution	-	-	-	-	8,069
Total Expenditure	813,581	88,227	901,808	1,574,527	928,464
Surplus (deficit) Income over Total Expenditure	18,385	614,677	633,062	(585,060)	(134,335)

Signed on behalf of the Trustees:


Patrick Plunkett


Brendan Doyle

Date: 25/01/18

DZOGCHEN BEARA TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2016**

	2016	2015
	€	€
Fixed Assets (Note 1)	<u>4,820,013</u>	<u>4,499,042</u>
Current Assets		
Cash	17,129	14,006
Bank Current Accounts	446,857	203,190
Deposit Accounts	343,149	342,987
Debtors and Prepayments	15,713	10,493
Scholarship Fund	10,450	-
Staff Loan	257	2,100
Amounts due from Spiritual Care Ireland	117,912	65,935
Shop Stock	<u>16,689</u>	<u>16,653</u>
	<u>968,156</u>	<u>655,363</u>
Creditors: Amounts Falling Due Within One Year		
Trade Creditors	22,162	24,405
Other Creditors	1,922	625
Deposits Held in Advance	22,968	14,589
Accruals	121,971	111,000
PAYE/PRSI	17,919	5,314
Rigpa International (Note 2)	10,082	30,247
Long Term Retreat Funds (Note 3)	12,079	11,999
Long Term Retreat Deferred Income (Note 4)	30,975	30,905
VAT (Note 5)	4,473	3,188
Long Term Capital Grant Income (Note 6)	15,050	15,400
Deferred income: 18 Hostel Renovation	<u>-</u>	<u>-</u>
	<u>259,601</u>	<u>247,672</u>
Creditors: Amounts Falling Due in More Than One Year		
3-year interest free loan	<u>10,000</u>	<u>21,230</u>
	<u>269,601</u>	<u>268,902</u>
Net Current Assets/Liabilities	<u>698,555</u>	<u>386,461</u>
	<u>5,518,568</u>	<u>4,885,505</u>
Represented By:		
<u>General and Restricted Funds</u>		
General Fund (Note 7)	828,316	809,931
Spiritual Care Development Fund (Note 8)	3,583,422	3,657,500
Temple Project Ireland Fund (Note 8)	<u>1,106,830</u>	<u>418,075</u>
	<u>5,518,568</u>	<u>4,885,505</u>

Signed on Behalf of the Trustees


Patrick Plunkett


Brendan Doyle

Date: 26/01/18

DZOGCHEN BEARA TRUST

**NOTES TO ACCOUNTS
YEAR ENDED 31ST DECEMBER 2016**

Note 1. Schedule of Fixed Assets

	Freehold Land €	Freehold Buildings €	Fixtures & Fittings €	Equipment €	Vehicles €	Assets Under Construction €	Total €
Cost	31,743	5,073,575	33,496	27,510	7,000	327,049	5,500,373
Additions	-	-	-	-	-	445,341	445,341
Disposals/Trsfs	-	-	-	-	-	-	-
Transfer between classes	-	101,852	33,986	-	-	(135,838)	-
Other Movements	-	-	-	-	-	-	-
Total Cost	31,743	5,175,426	67,482	27,510	7,000	636,552	5,945,714
Accum Deprn	-	947,908	28,168	21,654	3,600	-	1,001,330
Provided for the Year	-	103,085	16,918	2,968	1,400	-	124,371
Other Movements	-	-	-	-	-	-	-
Disposals/Tsfs	-	-	-	-	-	-	-
Total Accum Deprn	-	1,050,994	45,086	24,622	5,000	-	1,125,702
Net Book Value 31/12/16	31,743	4,124,434	22,396	2,888	2,000	636,552	4,820,013
Net Book Value 31/12/15	31,743	4,125,667	5,328	5,856	3,400	327,049	4,499,042

Note 2. Rigpa International

An annual contribution is made to the work of Rigpa International: the creditor balance represents the payment to be made at 31st December, which is due within six weeks of balance date.

Note 3. Long Term Retreat Fund

Represents donations received specifically to support those who wish to participate in long-term retreats.

Note 4. Long Term Retreat Deferred Income

The fee for the long-term retreats is invoiced at the beginning of each retreat and amortised over the period of the retreat. Long term retreat deferred income represents the balance of income invoiced for future months.

Note 5. VAT

Dzogchen Beara Welcome Centre registered for VAT with effect from 1 July 2006.

Note 6. Long Term Capital Grant Income

Grants are credited to deferred income. Grants towards capital expenditure are released to the statement of financial activity over the expected useful life of the assets. Grants towards revenue expenditure are released to the statement of financial activity as the related expenditure is incurred.

DZOGCHEN BEARA TRUST

NOTES TO ACCOUNTS YEAR ENDED 31ST DECEMBER 2016

Note 7. General Funds

The General funds represent the unrestricted funds available to Dzogchen Beara from accumulated surpluses and deficits. The general fund also includes the capital valuation for fixed assets donated, the land and buildings, which constitutes the retreat centre.

	2016	2015
	€	€
General fund Dzogchen Beara		
Opening Balance	809,931	1,516,400
Deficit in Income over Expenditure	633,062	(586,325)
Amortisation of Reserve (Note 8.1)	88,227	-
Movement of Restricted Funds : Temple project (Note 8.2)	(688,755)	(103,500)
Movement of Restricted Funds : Spiritual Care Centre (Note 8.1)	(14,149)	(16,795)
Closing Balance	<u>828,316</u>	<u>809,931</u>

Note 8. Restricted Funds

The restricted fund, represents donations and grants received for the development of the Specific projects less expenditure made for this purpose. The fund is accounted for as a separate fund within the Trust's books of account.

	2016	2015
	€	€
8.1 Spiritual care development fund		
Opening Balance	3,657,500	3,728,932
Amortisation of Reserve (Note 7)	(88,227)	(88,227)
Surplus of income over expenditure (Note 7)	14,149	16,795
Closing Balance	<u>3,583,422</u>	<u>3,657,500</u>

	2016	2015
	€	€
8.2 Temple project Ireland		
Opening Balance	418,075	314,575
Surplus of income over expenditure (Note 7)	688,755	103,500
Closing Balance	<u>1,106,830</u>	<u>418,075</u>