

Sakyong Support and Shambhala Core Services

Combined Revenue & Expense Notes as of December 31, 2008

For Internal Purposes Only

General Note: This report is not prepared according to GAAP (Generally Accepted Accounting Principles). Although our accounting is done to conform to GAAP, this report is designed to provide a laypersons view of finances (e.g. cash basis). An example would be the Namgyal Potrang (Kalapa Court) mortgage. On this report we show the full monthly mortgage payment. In our accounting program only the interest portion of that payment shows up as an expense and the principle is applied as a liability on the Balance Sheet.

US to Canadian exchange rates: The rate used in the accounting system was 1.00. In 2007 the average exchange rate was 1.074; in 2008 it was 1.067.

Descriptions of Categories

“Recurring monthly donations”: \$503,427 includes all of the automatic monthly donations from individuals.

“One- time donations”: \$148,723 includes one-time donations made by individuals.

“Practice Centers”: \$75,823 in revenue sharing from SMC, KCL, DDL and Gampo Abbey.

“Transfers from Shambhala Centers”: \$173,798 in revenue sharing from Shambhala Centers in North America. This represents about 4% of the revenue of the centers.

“Other”: \$54,455 in revenue from miscellaneous sources.

“Released from Restricted”: \$5927 in funds designated for a specific purpose, and released/spent for that purpose.

“Sakyong Support”: \$43,319 for the salary and related payroll expenses of the Sakyong.

“President & Chagdzo Support”: \$50,467 covers the travel and miscellaneous business expenses of President Richard Reoch and Chagdzo Kyi Khyap Connie Brock. Neither currently receives a salary.

“Council of Acharyas”: \$18,882 to help cover travel expenses for the Acharyas to meet annually with the Sakyong. Of this, \$7,000 was used for the Scorpion Seal retreat with the Sakyong.

“Dorje Kasung”: \$95,842 covers the salary and benefits for 2 Continuity Kusung assigned as staff to the Sakyong, and 1 assigned to Sakyogn Wagmo; an attendant for the Sakyng Wagmo; a half time salary for he Makpon, who is the head of the Kasung; telecommunications expenses and funds to help cover the cost of travel for Kasung meetings.

“Practice and Education”: \$123,808 covers the salary, benefits and miscellaneous business expenses for 3 full time staff.

“International Affairs”: \$18,468 covers a half time salary, benefits and miscellaneous business expenses.

“Communications”: \$38,950 goes towards producing the Dot, and for the videos like the annual Shambhala News Video.

“Governance”: \$10,327 covers costs associated with meetings of the Sakyong’s Council and Mandala Council.

“Finance & Development”: \$184,777 covers the salary, benefits and miscellaneous business expenses for 3 full time staff; audit fees; and printing and mailing costs for fundraising.

“Administration”: \$115,000 to write off funds owed by SMC for 2007; \$57,798 in interest payments on debt (all debt paid off by mid-year); \$43,334 in building costs; \$41,817 in legal, and \$28,981 in insurance and miscellaneous.

“IT Services” \$33,510 for support of office technology, the Shambhala database and shambhala.org

“Kalapa Valley” \$22,963 for caretaker and miscellaneous expenses.

“Net Cash Position” \$117,766 is the net cash balance after allowing for payables and receivables, restricted funds and prepaid items.

Sakyong Support and Shambhala Mandala Services
As of December 31, 2008

Income	Staff: Full time Equivalents	2008 Actual Exc Rate at Par	2008 Budget Exc Rate at Par	Variance
Donations (Recurring)		\$ 503,427	\$ 516,353	\$ (12,926)
Donations (One Time), including Tech Fund		\$ 148,723	\$ 198,000	\$ (49,277)
Practice Centres (SMC, DDL & Gampo Abbey)		\$ 75,823	\$ 171,600	\$ (95,777)
Transfers from Shambhala Centres		\$ 173,798	\$ 185,400	\$ (11,602)
Other		\$ 54,455	\$ 36,000	\$ 18,455
Funds Released		\$ 5,927		
Total Income without Bequest & Special Projects		\$ 962,153	\$ 1,107,353	\$ (151,127)
Bequest used (See detail next page)		\$ 58,826		
Second Bequest (\$25,000)(See detail next page)		\$ 25,000		
Other Events & Projects (See detail next page)		\$ 240,401		
Total Income		\$ 1,286,380		
Expenses				
Sakyong support		\$ 297,533	\$ 297,533	\$ -
Office of the Sakyong	1.00	\$ 50,467	\$ 50,467	\$ -
President & Chagdzo Support (Travel & Expenses)		\$ 54,828	\$ 55,800	\$ (972)
Council of the Acharyas (Meetings)		\$ 18,882	\$ 5,004	\$ 13,878
Dorje Kasung	0.5	\$ 95,842	\$ 96,664	\$ (822)
Practice & Education (Salaries & Travel)	3.0	\$ 123,808	\$ 117,744	\$ 6,064
International Affairs (Salaries, Telecomm, Travel)	0.5	\$ 18,468	\$ 17,748	\$ 720
Communications (Dot, Shambhala News Video)		\$ 38,950	\$ 41,000	\$ (2,050)
Governance		\$ 10,327	\$ 20,000	\$ (9,673)
Finance & Development (Salaries, Fundraising, Professional Services)	4.5	\$ 184,777	\$ 191,774	\$ (6,997)
Administration (Legal, Ins, Building, Bank & CC Charges)		\$ 286,930	\$ 140,782	\$ 146,148
IT Services, including Tech Fund	1.9	\$ 33,510	\$ 39,000	\$ (5,490)
Kalapa Valley		\$ 22,963	\$ 20,580	\$ 2,383
Total Expense without Bequest & Special Projects		\$ 1,237,285	\$ 1,094,096	\$ 143,189
Bequest used (See detail next page)		\$ 58,826		
Second Bequest (\$25,000)		\$ 25,000		
Other Events & Projects (See detail next page)		\$ 232,774		
Total Expenses	11.40	\$ 1,553,885		
Revenue over Expense		\$ (267,505)	\$ 13,257	\$ (294,316)
Net Cash Position				
Accounts Payable		\$ (325,274)		
Restricted		\$ (56,072)		
Restricted Bequest		\$ (28,871)		
Cash		\$ 84,900		
Accounts receivable		\$ 385,401		
Prepaid		\$ 31,712		
Notes Receivable		\$ 25,970		
Net Cash Position		\$ 117,766		

Notes: Sakyong Support includes direct financial support for the Sakyong and the Sakyong Wagmo of 64,920.
Halifax Court expenses were 162,904.
Travel, vehicle, religious observations, and miscellaneous were 69,709.

Sakyong Support and Shambhala Mandala Services
As of December 31, 2008

BEQUEST #1	Plan	Actual	hold for 2009
New Curriculum: Redraft the program outlines and provide support for pilots	\$ 26,000	\$ 10,579	\$ 15,421
Acharya retreats with SMR	\$ 7,000	\$ 7,000	
Template system maintenace, calendar repair	\$ 3,500	\$ 3,500	
IT "super manager" - contract labor for 12 months	\$ 12,000	\$ 12,000	
NAPOC scholarship fund endowment	\$ 5,000	hold	\$ 5,000
Seating the new Sakyong Wangmo - monthly support 5 months	\$ 10,417	\$ 10,765	
Mandala governance meeting scholarships	\$ 5,000	not needed	
Shambhala Governance Academy scholarships	\$ 5,000	not needed	
Debt in Santiago (loss on International programs)	\$ 7,272	hold	\$ 2,400
Casa Werma manager settlement	\$ 5,000	\$ 5,000	
Miscellaneous employment	\$ 7,205	\$ 8,457	
Generosity wallet	\$ 6,000	hold	\$ 6,000
Sakyong Wagmo Empowerment		\$ 1,924	
IT support - SDB		\$ 8,291	
Otsa Shingsa back taxes		\$ 4,062	
Totals	\$ 99,394	\$ 71,578	\$ 28,821

BEQUEST #2	Actual
Travel	\$ 15,000
Legal	\$ 10,000
Totals	\$ 25,000

Other Events & Projects	Bal 2007	Revenue	Expenses	Variance	Bal 2008
Sakyong Wangmo Empowerment		\$ 167,283	\$ 169,208	\$ (1,924)	used bequest
The Trust - Shambhala Online	\$ 6,000	\$ 2,877	\$ 8,055	\$ 822	\$ 822
The Trust - Curriculum	\$ 4,136	\$ 8,858	\$ 3,987	\$ 9,007	\$ 9,007
Shambhala Online		\$ 28,258	\$ 18,799	\$ 9,459	\$ 9,459
Vajrayana Projects (Scorpion Seal retreat at Kalapa Valley)		\$ 5,613	\$ 5,613	\$ -	
Shambhala Training		\$ 28,112	\$ 28,112	\$ -	
Totals	\$ 10,136	\$ 241,002	\$ 233,774	\$ 7,228	\$ 19,288

Notes Receivable	
Note receivable SMC	\$ 15,000
Note receivable Casa Werma	\$ 7,000
Note receivable - Shambhala Europe	\$ 29,700

Restricted Funds	
Restricted Kalapa Centre	\$ 37,060