

2018

TRANSFORMING
HUMAN CONSCIOUSNESS
IN EVERYDAY LIFE



Annual Report

& Financial Statements

FINDHORN
FOUNDATION

Findhorn Foundation

TRUSTEES

Lisette Schuitemaker • *Chair*

Mari Hollander • *resigned 10 May 2018*

Roger Collis

Paul Dickinson

Mark Anderson

Nicola Coombe

Helen Wildsmith

Francine Rietberg

Kathy Tyler • *appointed 7 May 2017*

Lisette Schuitemaker will retire in November 2018, to be replaced by Kathy Tyler as Chair.

THE MANAGEMENT GROUP TO 31 AUGUST 2017

Camilla Bredal Pedersen • *Chair*

Pete Finch • *Deputy Chair; The Park Focus-resigned 16 February 2017*

Martin Roche-Nishimori • *Finance & Deputy Chair*

Kicky Anderberg • *Assets-appointed 1 March 2017 - resigned 30 April 2018*

Judith Bone *Education - resigned 7 February 2017*

Joern Fiebig • *Education - resigned 1 March 2017*

Caroline Matters • *Spiritual and Personal Development*

Kicky Anderberg • *Cluny-resigned 1 March 2017*

Rossana Bonanno *The Park Living Education and Service*

Tara Schelander • *Cluny Living Education and Service*

Adele Napier • *Strategic Support*

THE STEWARDS' CIRCLE FROM 1 SEPTEMBER 2017

Camilla Bredal Pedersen • *Chair; Expanding Core Reach Hub*

Rossana Bonanno • *Living Core Hub*

Gabrielle Buist • *Expanding Core Reach Hub*

Caroline Matters • *Spiritual & Personal Development • Deputy Chair; Thriving Whole Hub*

Adele Napier • *Living Core Hub - resigned May 2018*

Martin Roche-Nishimori • *Finance; Thriving Whole Hub*

Joanne Pender • *Thriving Whole Hub - appointed 1 December 2017*

Camilla Bredal Pedersen will step down as Chair in November 2018 to be replaced by Caroline Matters

Annual Report and Financial Statements year end 31 January 2018

CHARITY INFORMATION

Charity Number SC007233

General Secretary John Lowe

Principal Address The Park, Findhorn, Forres, IV36 3TZ

Auditors **MAZARS LLP**, Chartered Accountants and Statutory Auditors,
Apex 2, 97 Haymarket Terrace, Edinburgh, EH12 5HD

Bankers **BANK OF SCOTLAND**, Forres Branch, 102 High Street, Forres, IV36 1PA
TRIODOS BANK, 24 Hanover Street, Edinburgh, EH2 2EN

Solicitors **SHEPHERD & WEDDERBURN LLP**, Solicitors, 66 Queen Street, Edinburgh, EH2 4NE
R & R URQUHART WS, Solicitors, 117–121 High Street, Forres, IV36 0A



Park Garden Team

“One of the most fulfilling few days of my whole professional life. The conversations and friendships that developed were so meaningful. A magical space to discuss issues never truly covered before.”

DANIELA CAROSIO

SENIOR PARTNER, SUSTAINABLE VALUE INVESTORS



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OSCR

Scottish Charity Regulator

www.oscr.org.uk

Registered Charity
SC007233

Dear Friends,

FORWARD LOOKING COUNTRIES AND companies nowadays are engaged in the energy transition, the food transition and a general transition towards sustainable practices - exactly what we have been pioneering at the Findhorn Foundation and Community for 55 years. Acutely aware of the disconnect between modern life and the natural environment, our founders were led to this peninsula to live in connection with spirit and in service to the whole. Since then, the complexity of life has increased while many of our once-alternative ways have become the norm. Now Scotland wants to take the lead in reaching the United Nations Sustainable Development Goals. The Foundation is a regular meeting ground for professionals from the world of business and finance to work on strategies for a sustainable future. And the 120 souls who currently form the Foundation practice what they preach every single day as they share their way of life with guests from all over the globe.

As an organisation we have also been in transition. Last year we reorganised into three hubs. The Living Core Hub, the heart of the organisation, houses all the living educators who host our guests and make sure that plants are watered, meals are cooked and buildings are cleaned in a loving and generative way. The Thriving Whole Hub holds all the parts needed

to keep the organisation running and in compliance with current requirements. The Expanding Core Reach Hub communicates what we do and attracts people to come and experience personal and planetary transformation for themselves. Each hub is interconnected in the Stewards' Circle where the overview is held with an eye to the future. Models of emergence tell us that humanity evolves through broadening the capacity to embrace ever greater diversity. As a charity, we feel it is up to us to continue to offer courses that widen people's horizons and deepen their understanding of the one interdependent life on this earth. This, of course, also challenges our own capacity to live with diversity and hold the tension between what we are used to and what we aspire to.

Speaking for all the trustees, I can say we are proud to serve the next phase of our collective human emergence through this ever-changing Foundation that stays true to its purpose of transforming human consciousness in everyday life to bring new possibilities into this world.



LISETTE SCHUITEMAKER
CHAIR OF TRUSTEES



Findhorn Foundation Trustees' Report

FOR THE YEAR ENDED 31 JANUARY 2018

The Trustees present their report and the financial statements for the year ended 31 January 2018. This report is prepared in accordance with the recommendations of the Charities Statement of Recommended Practice (FRS 102) and complies with applicable law.

OBJECTIVES & ACTIVITIES

The Findhorn Foundation is a living demonstration of a way of life aligned with *inner listening*, *co-creation with nature* and *inspired action*. As a centre of holistic learning, the Foundation's primary activity is holding transformational educational programmes that inspire people to discover and realise new possibilities in their life and in the world.

GUEST PROGRAMMES & REACH

In 2017 the Foundation hosted more than 2,000 guests from 61 different countries in workshops, special events and conferences, and over 1,000 people participated in non-residential programmes and tours, gaining perspectives and tools to make positive changes and apply spiritual and ecological principles in daily life.

Throughout the year, the Foundation held **A RANGE OF WORKSHOPS** from the regularly offered introductory programme [Experience Week](#) to follow-on programmes which engage our guests more fully in the life of our spiritual community. The Foundation also hosted dozens of workshops and special events on spirituality, sustainability and the healing arts.

Two programmes serve local residents with special needs. The semi-annual three month Youth Empowerment Programme welcomed 22 local at-risk youth in 2017, and [Findhorn Bay Care Farm](#) continued to attract local adults with a learning disability.

The Foundation is represented throughout the world by a dedicated network of supporters: 165 [Resource People](#) based in 34 countries who offer Findhorn style events and build community locally. The [Findhorn Fellows](#) now number 156, as we recently added local luminaries to our international Fellows network. The Fellows are all prominent thinkers and authors who share inspiration through their networks, cultivate partnerships with other transformational movements and offer us their expertise and informed perspectives.

In 2017, we proudly hosted:

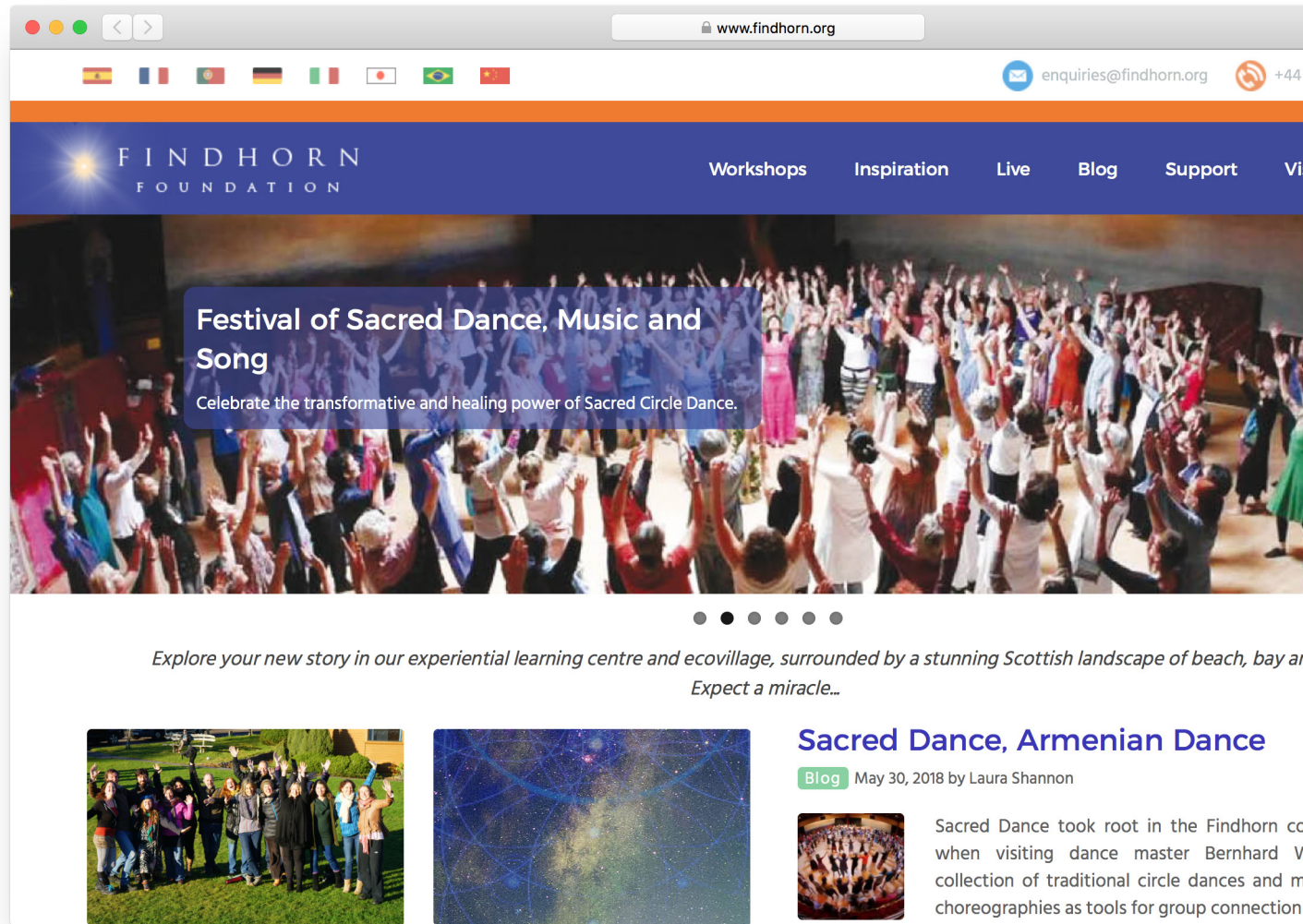


ONLINE ACTIVITIES

We continued to engage people over our social media network and regular mass emails. Our main website findhorn.org, which relaunched in February 2017, provides support for people seeking personal and global evolution, information on our community and our calendar of events. In 2017 our website was viewed by around two million people, and our [Facebook](#) page by more than 50,000 people.

In 2017 [TEDx Findhorn](#) ran four events at the Universal Hall in Findhorn, attended by around 650 people; the latter two were live streamed to an additional 300 viewers. Our weekend teaching events with world-renowned personal development facilitators **CAROLINE MYSS** and **JEDDAH MALI** were also live streamed to extend our reach.

Our New Story Hub website, newstoryhub.com, and social media platforms are the main vehicles through which we host, promote and deliver New Story initiatives, such as our documentary film and our pilot eight-month *Living the New Story* online learning journey which was attended by over 150 change makers.



The screenshot shows the Findhorn Foundation website. The header includes the logo and navigation links: Workshops, Inspiration, Live, Blog, Support. A large banner features a photo of a crowd with arms raised, with the text: "Festival of Sacred Dance, Music and Song. Celebrate the transformative and healing power of Sacred Circle Dance." Below the banner is a quote: "Explore your new story in our experiential learning centre and ecovillage, surrounded by a stunning Scottish landscape of beach, bay and mountains. Expect a miracle..." A featured article titled "Sacred Dance, Armenian Dance" by Laura Shannon is also visible.

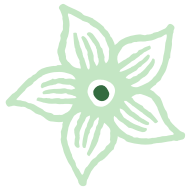


Our Mission



TRANSFORMING
human consciousness
IN EVERYDAY LIFE
to bring new possibilities
INTO THE WORLD

The Findhorn Foundation is a centre of *transformational learning* aligned with these three principles:



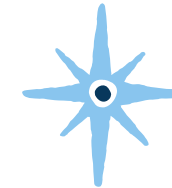
CO-CREATION WITH *nature*

We shape our future in partnership
with the other beings,
physical and non-physical,
that share this world and all life with us.



WORK IS *love in action*

Everything we do,
we aim to do with love.



INNER *listening*

Everyone can connect
with the divine spark
of universal intelligence by openly,
quietly turning within.





Our Community

The Foundation is part of a growing community of like-minded people and over 50 affiliated businesses and charitable organisations located within our region. The Findhorn Foundation has facilities and accommodation at four sites in Scotland: The Park ecovillage, near the traditional village of Findhorn; Cluny Hill, a restored Victorian hotel in the town of Forres; Traigh Bhan, a retreat house on the Isle of Iona; and a caretaker's lease on the former lighthouse keeper's station on the Isle of Erraid, near Iona and off the Ross of Mull.

These venues give us a range of settings for educational offerings that demonstrate and pioneer transformational approaches to resilience, regeneration and sustainability. We aim for holistic approaches that can integrate four key aspects of regeneration: spiritual, social, environmental and economic.

By not only developing the externals of sustainability such as food production, eco housing, ecological sewage treatment and renewable energy projects, but also addressing the inner life of human beings, we offer guests and co-workers the opportunity to live and work with a heightened sense of the interconnected web of life.

Throughout the year, our regular newsletters, inspirational messages and social media groups connect us to a community of thousands of friends and supporters around the world who share our vision of transforming human consciousness in everyday life through how we think, speak and act.

United Nations Sustainable Development Goals

In 1997 the Findhorn Foundation, as a non-governmental organisation (NGO), became formally associated with the Department of Public Information (DPI) at the United Nations headquarters in New York. Since then the Foundation has been represented regularly at the UN headquarters by Frances Edwards and John Clausen. Besides attending DPI Briefings and other UN events, they are also on the Spiritual Caucus Coordinating Council, of which Frances is co-convenor.

Frances is also on the Values Caucus Council. While serving on these councils, Frances and John organise meditations, workshops, talks and various meetings and events at the UN Headquarters. They are also members of the Conference of NGOs Committee on Sustainable Development-New York.

Through various educational programmes and activities, including the Foundation's Ecovillage Experience Week and the College's Permaculture Design Course and Ecovillage Design Education, the Findhorn Foundation is actively supporting the **UN SUSTAINABLE DEVELOPMENT GOALS**. These [global goals](#), also known as Agenda 2030, are the most ambitious attempt ever to transform our world: a universal call to action agreed on in 2015 by 193 governments and backed by leading businesses and civil society organisations.

After 20 years, the Findhorn Ecovillage Project was re-designated **UN-Habitat Best Practice** and features in their database as one of the solutions to the common social, economic and environmental problems.

*Speaking at the Corporate Strategy for an Open Society event
Findhorn Foundation, September 2017*

“I was quite sceptical, but holding discussions in this environment was fruitful and regenerative. The event was an opportunity to develop collective wisdom and demonstrate that it works.”

CHRIS HUHNE

CO-CHAIR OF ET INDEX RESEARCH AND FORMERLY THE
UK SECRETARY OF STATE FOR ENERGY AND CLIMATE CHANGE



Partner Organisations

The Findhorn Foundation works in partnership with local and global organisations to promote holistic sustainability - spiritual, social, environmental and economic.

For related party transactions, please see note 21 in the Financial Statement.



Wholly owned subsidiary that carries out non-charitable trading activities for the Foundation. Provides accommodation, infrastructure and other site services in the context of the the Park Ecovillage, and operates the [Findhorn Bay Holiday Park](#).



Offers certified transformative courses in ecological design, facilitation, wellbeing and language skills. Hosts study and research visits. Implements research projects on renewable energy, social science and holistic education in partnership with the universities of Heriot Watt and Strathclyde.



Universal Hall, Findhorn

Presents dance, theatre, music and films in the Universal Hall at The Park. Shows well attended by locals. Valued addition to Moray cultural life. Receives financial support from Creative Scotland and local donors.



Leading-edge provider of sustainability education. Curriculum draws on good practice within ecovillages worldwide. Runs live and remote initiatives including online course on designing for sustainability.



Provides support for local at risk youth in the Youth Empowerment Programme, which offers three month blocks of closely supervised work, and educational and group experiences twice a year.



The Foundation is a member of:



Worldwide network of sustainable communities and initiatives, based in Findhorn.



Strengthens collaboration among holistic centres worldwide that support personal and spiritual growth and serve the evolution of a conscious and sustainable world.



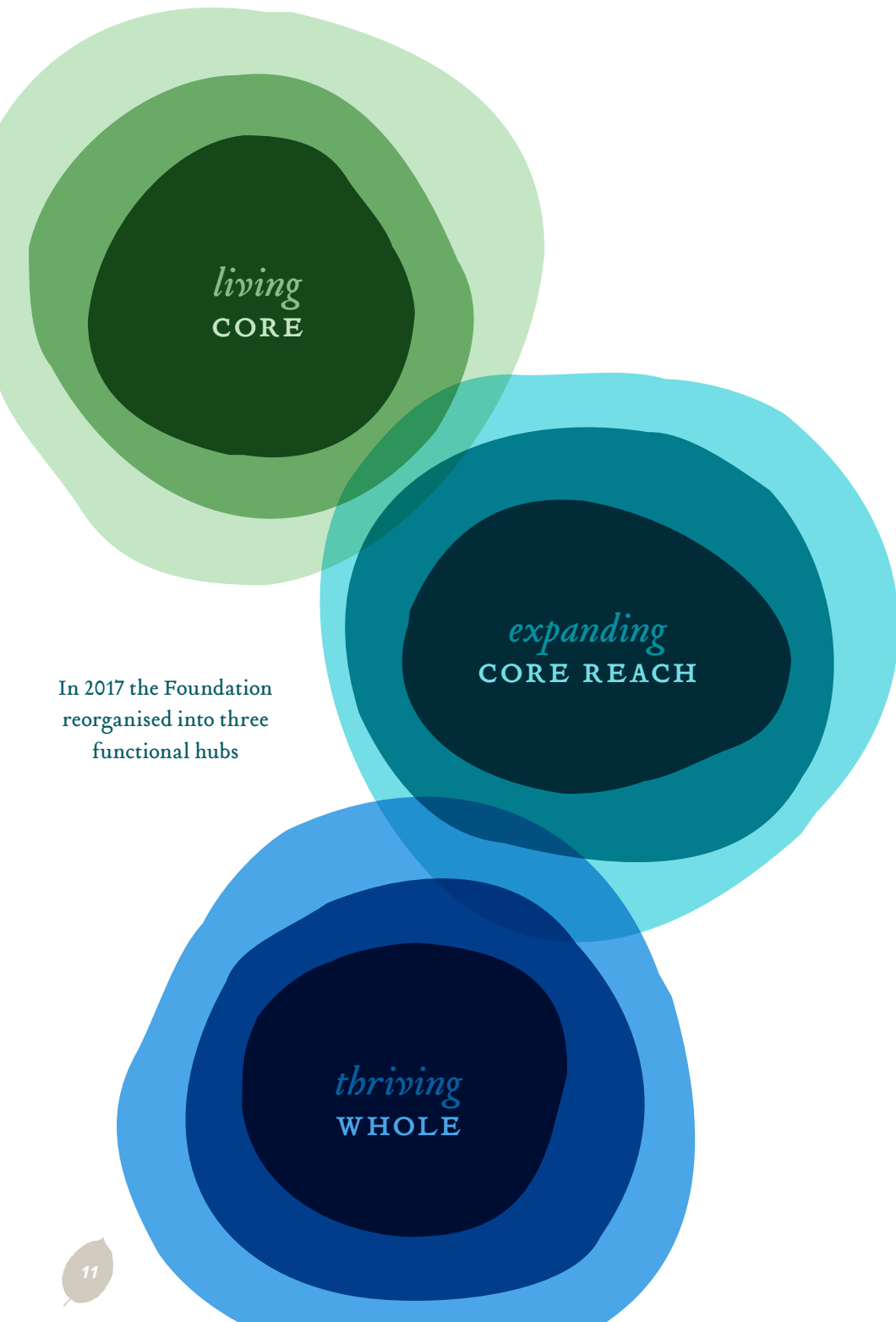
Coordinating body for the local community in which the Findhorn Foundation sits. Coordinates the activities of a growing and diverse membership.



Assists social enterprises to become more sustainable in relation to a triple bottom line for people, prosperity and planet.



The country's foremost advocate for UK action at the UN; the UK's leading source of analysis on the UN; and a vibrant grassroots movement of 20,000 people from all walks of life.



In 2017 the Foundation reorganised into three functional hubs

Achievements and Performance

REINVENTING OUR ORGANISATION

The change process that started with the Foundation-wide Time Together meetings in 2016 culminated in September 2017 with a reorganisation of the Foundation into three hubs, each focusing its operations on a different aspect of our purpose.

Living Core Hub

creates a living, learning, working environment (place, culture, programmes) that supports personal and planetary transformation for programme participants, guests, apprentices and co-workers.

Expanding Core Reach Hub

translates, develops and expands the reach of our core curriculum to diverse target groups and platforms.

Thriving Whole Hub

supports the well-being, effectiveness and joy of the people, structures and functions of the Findhorn Foundation.

Each of the hubs holds its own focus for enlivening our organisational structures, making decisions, relating to our guests and interacting with the world around us. Strategic directions, compliance mandates, upgraded practices and staff trainings are co-created and integrated into the work of the relevant hubs.

Awards

In October 2017, the Findhorn Foundation was named Charity of the Year at the [P.E.A. Awards](#) for its pioneering work in helping people to reconnect with nature and themselves as part of their spiritual path - crucial work for individuals and businesses over the next ten years. The money raised at the awards ceremony will be used to bring young people and indigenous people to the Climate Change and Consciousness Conference at the Findhorn Foundation in 2019.

The Findhorn Foundation was also recognized by the Third Sector Interface Moray's Impact Awards 2017 in the three categories of economic, environmental and social impact.



*Expanding Core Reach Steward
Gabrielle Buist, accepting
our P.E.A Award*

Educational Activities



A highlight in the year was the 25th anniversary of the Festival of Sacred Dance, Music and Song, a popular summer week of music and traditional dance from cultures worldwide.

OUR COWORKERS CONTINUE TO DEMONSTRATE THE SPIRITUAL VISION that has guided the Foundation since its establishment. In the course of everyday activities, from weeding a garden to relating to each other in community meetings, we seek to bring inner awareness, kind intention and connection with the whole community of life. As in previous years, we shared this way of being with our many visitors and workshop participants, both in the programme content we offered and by giving guests an opportunity to participate in the life and work of the community.

Most weeks in the year we offer our main introductory programme [Experience Week](#) which in 2017 was also held 12 times in seven languages other than English, as well as versions offered for whole families, for teenagers and special weeks with an LGBT+, music or eco focus.



SATISFACTION & VALUE FOR MONEY

Our guest programmes consistently receive over 90% approval for overall satisfaction and value for money, with most guests stating that they would recommend it to their friends and family. We have improved our data analytics to have a better understanding of guest feedback and many other performance indicators thanks to a software grant from QlikTech.



100k+

VIEWERS

70+

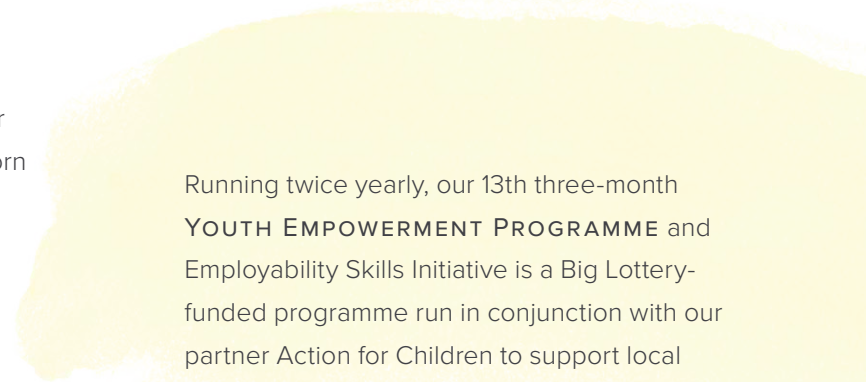
COUNTRIES

The [New Story Hub](#) website and social media platforms continue to expand our global family of change makers. Our feature-length [documentary](#) *An Enquiry Into a New Story for Humanity: Change the Story, Change the World* was an OFFICIAL SELECTION OF THE AUROVILLE FILM FESTIVAL in December 2017 in the category of Films that Develop the Theme of Human Unity. In August 2017, the New Story team launched a participatory online programme as a low-carbon, high-impact way for participants to experience living the new story personally and accelerating it collectively. The programme filled within two months with over 150 participants from 31 countries, and there is a waiting list of potential prospects for a second series in September 2018 to further elaborate New Story themes.

As part of our Building Bridges outreach strategy, the [Findhorn International Centre for Sustainability](#) (FICS) attracted 150 participants from the business and NGO sectors to programmes such as Authentic Investor, Climate Finance, Local Economic Forum, and the Findhorn International Forum on Sustainability and Corporate Strategy for an Open Society. Participants replenish their own sustainability and collaborate to create projects which bring institutional and structural change.

Building Bridges has created a strong connection with Weleda UK, whose Managing Director Jayn Sterland first visited on the FICS Eldest Daughter programme. Since that visit she has co-convened Eldest Daughter and participated in Leading With Soul and the Findhorn International Forum on Sustainability, and will co-convene the FICS Spirited Business - Brands for the Future event in September 2018. Weleda teams are participating in Findhorn retreats, the Weleda head gardener has accepted a free place at our 2018 Co-Creative Spirituality conference, and the Foundation's communications manager interned at the Weleda offices for three months.

Running twice yearly, our 13th three-month **YOUTH EMPOWERMENT PROGRAMME** and Employability Skills Initiative is a Big Lottery-funded programme run in conjunction with our partner Action for Children to support local young people who have left statutory schooling but are unable to enter the local job market or re-enter education. The programme has been very successful in helping over 100 young people develop emotional self-awareness and skills that support them towards a sustained positive destination in life. The April - June 2018 programme is the last of this particular funding stream and its future is unknown at this time.





Our [Findhorn Bay Care Farm](#) provides a meaningful, creative and fun day service for adults with learning disabilities, autism or Aspergers. Through the creation of a healthy work structure in our community gardens, the programme builds participants' confidence and helps to develop social and practical skills. This three year old programme has potential for growth by increasing the number of sessions held each week and inviting more participants.



Investing in our Future

Over the next five years, the Foundation plans to invest in revitalising our transformational educational programmes; expanding our reach and relevance in the world; training staff; and upgrading working/living conditions. These investments are being funded in part by a generous donation of £200,000 from an individual plus £26,800 from the Hygeia Foundation, received in 2017.

Upgrades to our staff accommodation started in 2017 and will continue with £100,000 allocated, while £70,000 has been allocated for ongoing development of our New Story programmes, fundraising

development and marketing. £65,000 has been allocated to support the development of our new three hub organisational structure.

The **HYGEIA FOUNDATION** has also pledged further grants in 2018 to support our new organisational structures and governance system development.

In 2018 we will continue to undertake a deep enquiry into our educational offerings and will reshape our curriculum over the next two years to be yet more relevant and appealing. Led by the Expanding Core Reach Hub, we expect to include a renewed enthusiasm

and focus on our traditional, unique offerings; new workshops and events built around our core values and principles; and new external teachers. In addition to on-site offerings, we will continue to experiment with online courses and partnering with like-minded institutions.

In May 2018 the Trustees approved plans from our subsidiary New Findhorn Directions to apply to the Rural Housing Fund for the development of 12 affordable housing flats. Assuming the grant application is successful, completion for this project is forecast for July 2020.



Financial Review

There was an overall net surplus for the year of £214,303, of which £203,605 was generated by the charity itself. The overall net worth thus increased by 4% to £5.2 million. This compares to an overall loss of £94,084 in the previous year.

Overall income for the year increased by approximately £395,000 to £2.96 million largely due to a rise in donations of nearly £177,000 to £495,043. The bulk of the income was from charitable activities, which showed an increase of just under £100,000. Trading activities undertaken by New Findhorn Directions Ltd. (recorded as "other trading activities" in our accounts) showed an increase of a similar amount to £575,181.

Costs increased by some £87,000, mainly due to an increase in staffing to £758,493 brought about by a rise in the UK National Minimum Wage and additional increases to improve staff remuneration. Depreciation for the year was down by about £38,000 to £207,320.

The Foundation continues to focus on revitalising its core work; expanding reach and relevance in the world; and improving staff remuneration, training and working/living conditions. As part of this, funds are set aside for development and for the improvement or replacement of living quarters, guest accommodation and office spaces.

A triple bottom line accounting system is being developed to incorporate people, planet and prosperity. We continue to prioritise the use of ethical banks for our financial transactions.

Under the Charities Statement of Recommended Practice (SORP) 2015 (FRS102), the Charity's Trustees are required to record the financial effect of significant events in the year. There were no significant events during the past year.

RESERVES POLICY

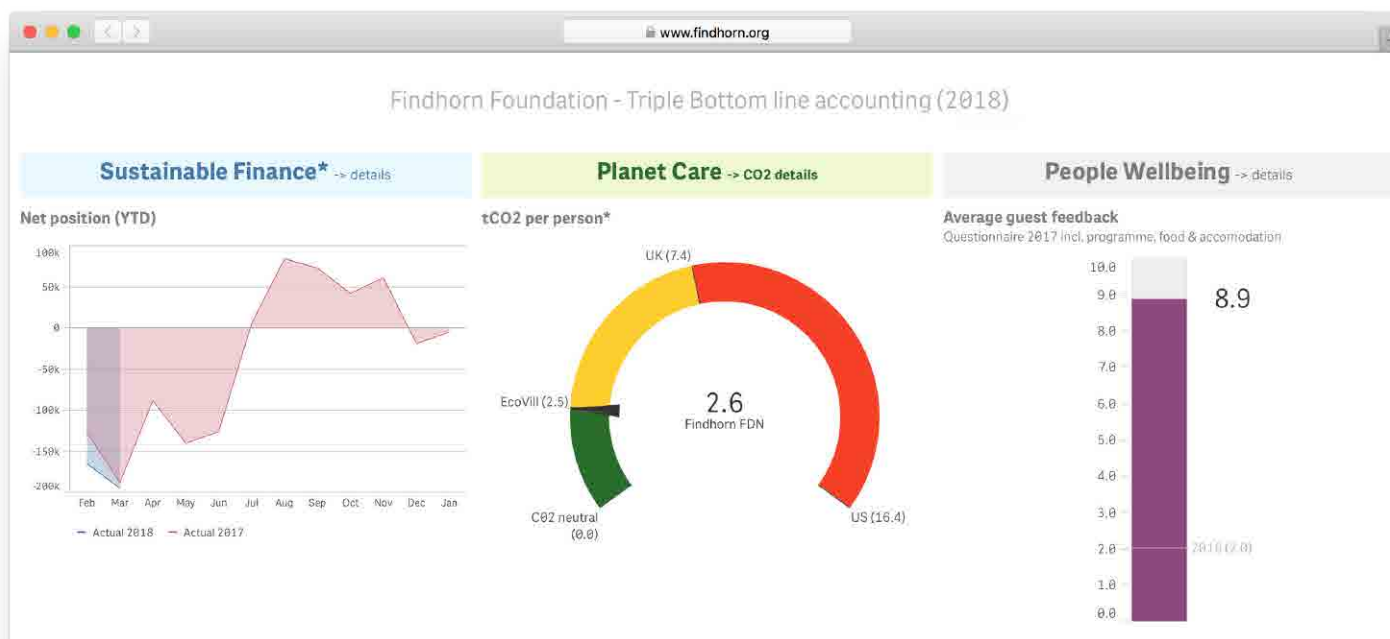
The Foundation's Financial Reserves Policy calls for sufficient cash available from bank deposits and/or overdraft facilities to cover the fixed element of four months' operational expenditure excluding depreciation.

For 2016-2017 this was estimated at £210k. This policy was adopted by the Trustees in May 2013, and is reviewed at regular intervals, in relation to perceived risks to the Foundation.

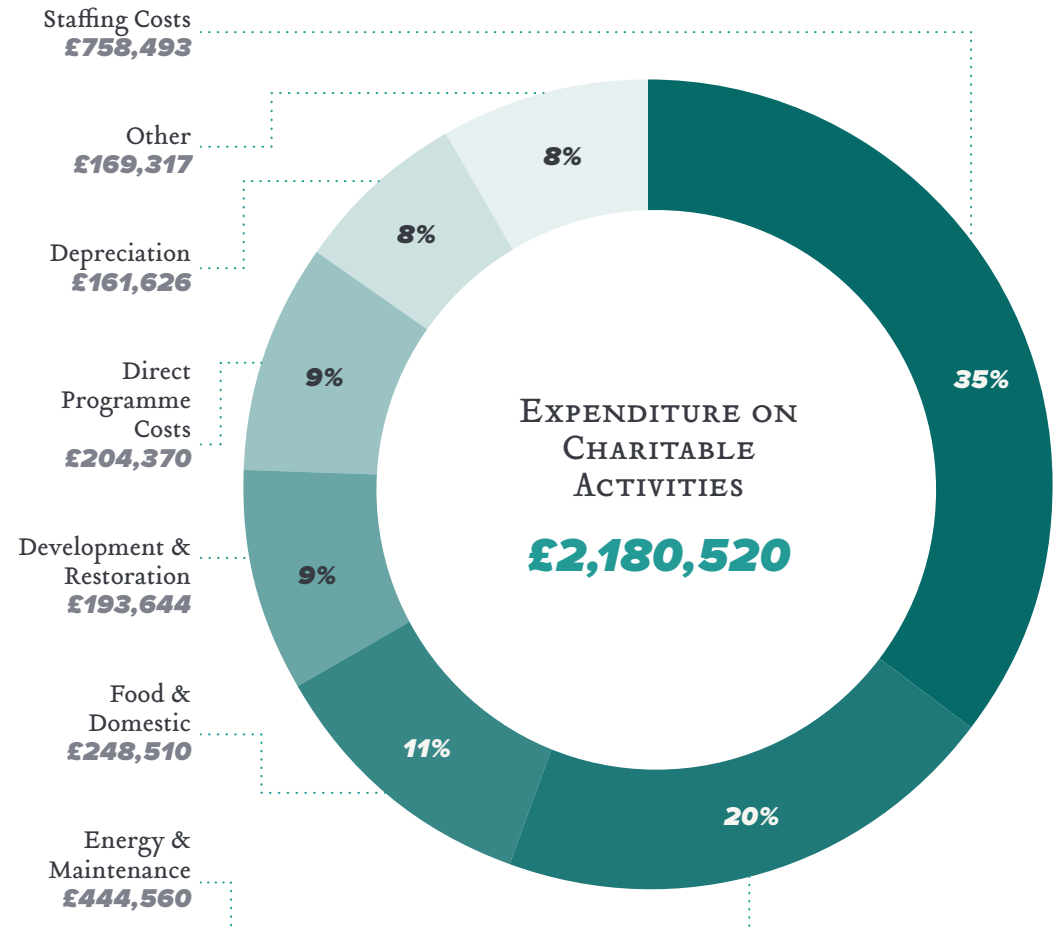
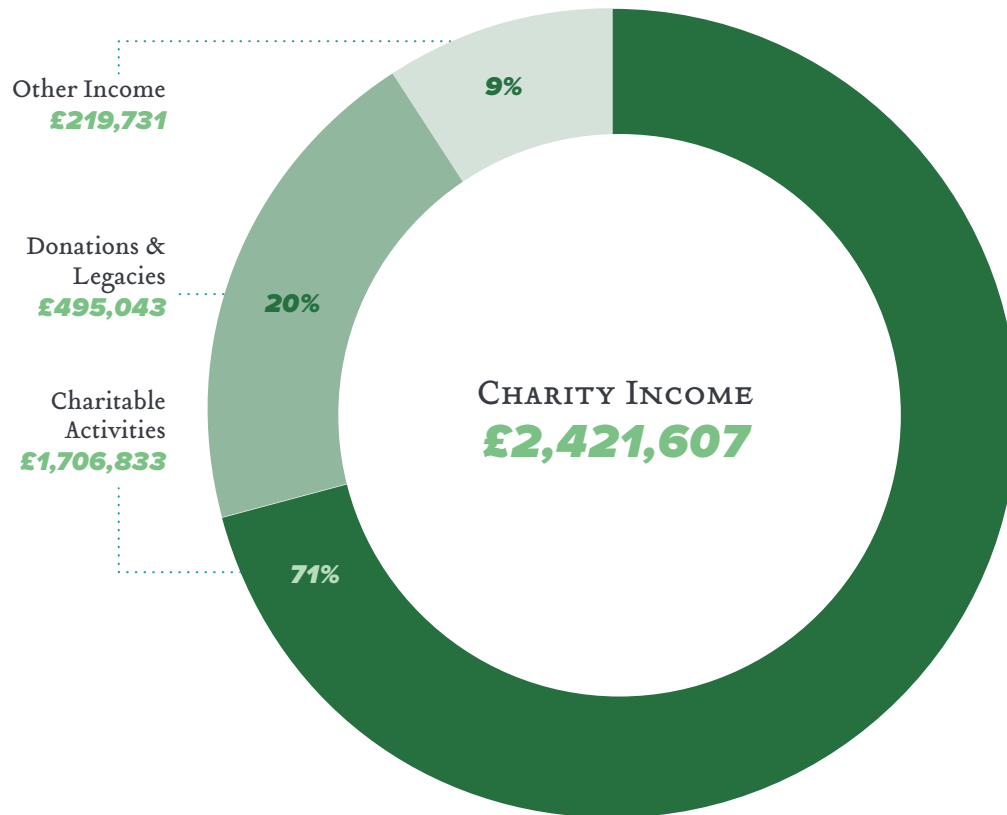
RESERVES

The amount and purpose of the reserves are set out in note 18. The Development Reserve represents donations received for a number of different projects as specified by the donors. All other reserves are held in order to further the general aims of the Findhorn Foundation as described above.

Screenshot from our MSIS data tracking program People, Planet and Prosper



Income and Expenses



Structure, Governance & Management

GOVERNING DOCUMENT

The Findhorn Foundation is a charitable trust constituted by the original trust deed dated 9 May 1972, as amended 10 December 1998, and is registered and regulated by the Office of the Scottish Charity Regulator.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

The appointment of new trustees is the responsibility of the Board of Trustees and is carried out in close consultation with the Findhorn Foundation Stewards' Circle and co-workers. Trustees normally serve for up to two four-year terms, though sometimes, where trustees bring exceptional value to the Foundation, they may be asked to serve longer.

TRUSTEE INDUCTION AND TRAINING

New trustees are appointed bearing in mind their familiarity with the mission and vision of the Findhorn Foundation and their expertise and experience in the fields of spirituality, finance, management and other appropriate areas. Induction takes place through a number of meetings with Trustees, the Chair of Management, relevant managers and others within the organisation.

ORGANISATIONAL STRUCTURE

The Board of Trustees has overall responsibility for managing the charity and appoints the Chair of Management/Lead Steward in close consultation with the Stewards' Circle and co-workers. The Board meets twice a year with the Stewards' Circle and has regular conference calls and further informal meetings if deemed necessary. A Finance Committee meets at least four times annually.

Responsibility for the day-to-day running of the Findhorn Foundation is delegated to the Stewards' Circle, in close consultation with co-workers.

Trustees benefit from trustee indemnity insurance arranged by and at the expense of the Findhorn Foundation. None of the trustees has a beneficial interest in the charity, and any other interests are clearly declared and reviewed annually.



Our Stewards

REMUNERATION

The Foundation currently employs about 114 staff (full time & part time), of which 64 are full time residential and the remainder are non-residential. Non-Residential staff receive 25p/hour above National Living Wage. Residential staff receive what is deemed equivalent to this in food, lodging and a stipend of £240/month.

In May 2017, the Trustees initiated a process to raise remuneration for key leadership positions by up to £2.20/hr for non-residential staff and £65/month for residential staff above our standard staff rate, which at the time was National Living Wage. We hope to raise the pay for all staff to the Real Living Wage or beyond over the next five years.

The ratio between the lowest and the highest paid employee of the Foundation does not exceed the present limit of 1 to 1.3.

Principal Risks and Uncertainties

The Stewards' Circle maintains a register of risks which is reviewed annually by Trustees. Individual risks are monitored more frequently if the likelihood or potential impact of a risk merits closer attention. The most significant risks and uncertainties currently faced by the Findhorn Foundation are as follows.

(1) COSTS INCREASING FASTER THAN INCOME

Certain charity costs have increased significantly in recent years, and this trend is likely to continue. Staff costs, in particular, are increasing due to the 2015 National Living Wage legislation, and more recently due to increasing wages for key staff. The government has indicated its intention to increase the National Living Wage to £9.00/hr (£7.83/hr currently), and Trustees hope that all staff will be paid at least the Real Living Wage (£8.75/hr currently), which will further increase staffing costs.

To date, income has largely kept pace with increased costs, in part due to the generosity of donors to the Foundation. If donations were to fall significantly, income from charitable activities might not be able to cover costs.

Under the direction of the Stewards' Circle, the Expanding Core Reach Hub is investigating potential new income sources and partnerships while controlling costs so that if income drops unexpectedly, the impact on the overall bottom line is minimised.

(2) LOSS OF KEY STAFF

Loss of key staff is particularly difficult for the Foundation as replacing those staff with similarly skilled and experienced people can be challenging due to low salaries. A number of key staff have left, or are in danger of leaving, for purely financial reasons. In 2017 The Trustees and Stewards' Circle initiated a plan to increase salaries of key staff with the hope that all staff salaries can be increased to at least the Real Living Wage in the coming years.

(3) POTENTIALLY MORE RESTRICTIVE VISA CONTROLS, INCLUDING BREXIT IMPLICATIONS

The majority of guests (60%) come from outside the UK, and approximately 40% of co-workers are not UK citizens or permanent residents and of those, about 75% are EU nationals. Restrictions on the ability of non-UK citizens to visit the UK have the potential to reduce our education income, and restrictions on non-UK nationals

remaining and working in the UK could reduce the size and diversity of the pool of potential co-workers.

The Stewards' Circle is closely monitoring these issues and is doing what it can to align educational programmes with planned or potential visa legislation changes, as well as developing online education options and strengthening partnerships with local organisations.

In July 2018, the Foundation was subject to a Home Office visa compliance audit which identified some issues which the Stewards are working with the Home Office to resolve.

The new General Data Protection Regulation which came into effect in May 2018 has created additional uncertainties as to what will be required of the Foundation with respect to personal data. However, after significant internal efforts and reworking of some internal processes, the Trustees believe that the Foundation is GDPR compliant and so the consequences of the new regulations are not believed to represent a significant new risk.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in Scotland 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 charity and of the net incoming/(outgoing) resources for the financial year. In preparing financial statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity SORP
- make judgements and estimates that are reasonable and prudent; and
- 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 the Trustees and Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and the constitution of the charity.

They 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and each Trustee has taken all steps that he or she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and establish that the Charity's auditors are aware of that information.

This report was approved by the Trustees on 12th October 2018 and signed on its behalf by

MARK ANDERSON, Trustee



FRANCINE RIETBERG, Trustee



Our Trustees

Independent Auditors' Report to the Trustees FOR THE YEAR ENDED 31 JANUARY 2018

OPINION

We have audited the financial statements of the Findhorn Foundation (the 'Charity') for the year ended 31 January 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Statement of Financial Positions, the Consolidated Statement of Cash Flows 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 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 January 2018 and of its net income 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 Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (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 Charity 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.

USE OF THE AUDIT REPORT

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the Charity's Trustees 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 and the Charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS 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 charity'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.

OTHER INFORMATION

The Trustees are responsible for the 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 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

Independent Auditors' Report to the Trustees FOR THE YEAR ENDED 31 JANUARY 2018

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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page two, 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 the Financial Reporting Council's website at frc.org.uk. This description forms part of our auditor's report.

USE OF THE AUDIT REPORT

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect there under. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the Charity's Trustees 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 and the Charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

MAZARS LLP

Chartered Accountants and Statutory Auditor

Apex 2

97 Haymarket Terrace

Edinburgh

EH12 5HD

12th October 2018

Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2018

| | Notes | General Reserve £ | Development Reserve £ | Restricted Funds £ | Total 2018 £ | Total 2017 £ |
|-----------------------------------------|-------|----------------------|--------------------------|-----------------------|------------------|------------------|
| Income from: | | | | | | |
| Donations and legacies | | 87,103 | 315,260 | 92,680 | 495,043 | 318,350 |
| Charitable activities | 5 | 1,680,744 | - | - | 1,680,744 | 1,582,707 |
| Other trading activities | | 725,181 | - | - | 725,181 | 601,057 |
| Investments | 4 | 925 | - | - | 925 | 1,950 |
| Other | 6 | 207,766 | - | - | 207,766 | 190,595 |
| Total | | <u>2,701,719</u> | <u>315,260</u> | <u>92,680</u> | <u>3,109,659</u> | <u>2,694,659</u> |
| Expenditure on: | | | | | | |
| Raising funds- subsidiary company costs | | 838,581 | - | - | 838,581 | 751,327 |
| Raising funds- charity costs | | 6,089 | - | - | 6,089 | 3,676 |
| Charitable activities | 7 | 1,857,040 | 100,966 | 92,680 | 2,050,686 | 2,033,740 |
| Total | | <u>2,701,710</u> | <u>100,966</u> | <u>92,680</u> | <u>2,895,356</u> | <u>2,788,743</u> |
| Net income/(expenditure) | 3 | 9 | 214,294 | - | 214,303 | (94,084) |
| Transfers between funds | | - | - | - | - | - |
| Net movement in funds | | 9 | 214,294 | - | 214,303 | (94,084) |
| Reconciliation of funds | | | | | | |
| Funds brought forward | | <u>4,804,231</u> | <u>185,181</u> | <u>-</u> | <u>4,989,412</u> | <u>5,083,496</u> |
| Total funds carried forward | 17 | <u>4,804,240</u> | <u>399,475</u> | <u>-</u> | <u>5,203,715</u> | <u>4,989,412</u> |

Analysis of the 2017 figures is shown in note 23.

The notes on pages 27 to 36 form part of these financial statements.

CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION

As at 31 January 2018

| | Notes | Group 2018 £ | Group 2017 £ | Charity 2018 £ | As restated Charity 2017 £ |
|----------------------------------------------------------------|-------|------------------|------------------|-------------------|-------------------------------|
| Fixed Assets | | | | | |
| Tangible fixed assets | 10 | 4,762,768 | 4,806,961 | 4,343,871 | 4,387,114 |
| Investments | 11 | 83,001 | 83,002 | 459,686 | 448,986 |
| | | <u>4,845,769</u> | <u>4,889,963</u> | <u>4,803,557</u> | <u>4,836,100</u> |
| Current Assets | | | | | |
| Stocks | | 57,252 | 64,529 | 57,252 | 57,256 |
| Debtors | 12 | 188,582 | 155,337 | 135,335 | 107,072 |
| Cash and cash equivalents | | 771,979 | 542,615 | 704,799 | 508,275 |
| | | <u>1,017,813</u> | <u>762,481</u> | <u>897,386</u> | <u>672,603</u> |
| Creditors: amounts falling due within one year | 13 | (484,231) | (419,670) | (393,134) | (362,617) |
| Net Current Assets | | <u>533,582</u> | <u>342,811</u> | <u>504,252</u> | <u>309,986</u> |
| Total Assets Less Current Liabilities | | <u>5,379,351</u> | <u>5,232,774</u> | <u>5,307,809</u> | <u>5,146,086</u> |
| Creditors: amounts falling due after more than one year | 15 | (154,323) | (222,049) | (104,094) | (156,674) |
| Provisions for liabilities and charges | 16 | (21,313) | (21,313) | - | - |
| Net Assets | | <u>5,203,715</u> | <u>4,989,412</u> | <u>5,203,715</u> | <u>4,989,412</u> |

**CONSOLIDATED AND CHARITY STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

As at 31 January 2018

| | Notes | Group 2018 £ | Group 2017 £ | Charity 2018 £ | Charity 2017 £ |
|----------------------------------------|-------|--------------------|--------------------|----------------------|----------------------|
| <i>Financed by:</i> | | | | | |
| General reserve | 17 | 4,804,240 | 4,804,231 | 4,344,554 | 4,355,245 |
| Development reserve | 17 | 399,475 | 185,181 | 399,475 | 185,181 |
| Investments revaluation reserve | 17 | - | - | 459,686 | 448,986 |
| Restricted funds | 17 | - | - | - | - |
| | | <u>5,203,715</u> | <u>4,989,412</u> | <u>5,203,715</u> | <u>4,989,412</u> |

The financial statements were approved by the Board of Trustees on 12th October 2018 and signed on its behalf by

Mark Anderson
Trustee



Francine Rietberg
Trustee



The notes on pages 27 to 36 form part of these financial statements.

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS

For the year ended 31 January 2018

| | Notes | Group 2018 £ | Group 2017 £ | Charity 2018 £ | Charity 2017 £ |
|--------------------------------------------------------------------|-------|--------------------|--------------------|----------------------|----------------------|
| Net cash provided by operating activities | 8 | <u>419,971</u> | <u>251,903</u> | <u>331,573</u> | <u>175,734</u> |
| Purchase of tangible fixed assets | | (163,115) | (170,624) | (121,969) | (42,560) |
| Net cash used in investing activities | | <u>(163,115)</u> | <u>(170,624)</u> | <u>(121,969)</u> | <u>(42,560)</u> |
| Repayments of borrowing | | (27,492) | (27,866) | (13,080) | (27,866) |
| Net cash used in financing activities | | <u>(27,492)</u> | <u>(27,866)</u> | <u>(13,080)</u> | <u>(27,866)</u> |
| Cash and cash equivalents at the beginning of the reporting period | | 542,615 | 489,202 | 508,275 | 419,465 |
| Cash and cash equivalents at the end of the reporting period | | <u>771,979</u> | <u>542,615</u> | <u>704,799</u> | <u>508,275</u> |
| Change in cash and cash equivalents in the reporting period | | <u>229,364</u> | <u>53,413</u> | <u>196,524</u> | <u>88,810</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018

1. Principal accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Charities Accounts (Scotland) Regulations 2006.

The Charity has elected to early adopt the Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland Triennial Review 2017 incremental improvements and clarifications (the “triennial review 2017 amendments”), which would otherwise have been effective for periods beginning on or after 1 January 2019.

On adoption of the triennial review 2017 amendments the Charity has elected to reclassify its investment property that is rented to its subsidiary undertaking from investment property to tangible fixed assets, and to apply the cost model in accordance with FRS 102 Section 17 Property, Plant and Equipment. Further, the Charity has elected to apply the transitional provisions set out in FRS 102 paragraph 1.19(a) and use the previous value of the investment property as its deemed cost, as at the date of transition to the triennial review 2017 amendments. Further details are included in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies (see note 2).

The principal accounting policies of the Findhorn Foundation are set out below:

1.1 Consolidated financial statements

The consolidated financial statements present the results of Charity and its wholly owned subsidiary, New Findhorn Directions Limited ("the Group") on a line-by-line basis as though they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Financial Activities from the date on which control is obtained. They are deconsolidated from the date control ceases.

The results of the associated undertaking are not consolidated as they are not considered significant.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

1.2 Tangible fixed assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

| | |
|-----------------------|------------------------------|
| Land and Buildings | - 2% straight line |
| Eco-mobile homes | - 7% - 10% reducing balance |
| Plant and machinery | - 10% - 15% reducing balance |
| Tools and equipment | - 15% - 33% reducing balance |
| Fixtures and fittings | - 10% - 15% reducing balance |
| Motor vehicles | - 25% reducing balance |

All assets costing more than £500 are capitalised except for motor vehicles, where assets in excess of £1,000 are capitalised.

1.3 Taxation

With the exception of the surplus derived from the activities of the subsidiary New Findhorn Directions Limited, all income is applicable and applied to charitable purposes and relief is given to the Trust under section 505 Income and Corporation Taxes Act 1988.

1.4 Hire Purchase and leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

The investment in the subsidiary undertaking is stated at net asset value of the company and any unrealised or realised gains or losses are taken to the Statement of Financial Activities. The unlisted investments held by the subsidiary, New Findhorn Directions, are stated at historic cost less impairment as the market value of the investments cannot be reliably determined and therefore unable to be stated at market value.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.7 Reserves

The general reserve consists of amounts received which have yet to be committed or designated to a specific use by the Charity. The development reserve comprises grants and donations received for development projects which have been restricted by the donor.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

1.8 Income

Donations are included as they are received whilst all other income is included in the year to which it relates.

1.9 Interest income

Interest income is recognised in the Statement of Financial Activities using the effective interest rate.

1.10 Residuary legacies

Legacies are included in Income from Donations and Legacies when the amount is known.

1.11 Expenditure

All expenditure is included on an accruals basis, inclusive of any VAT that cannot be recovered, and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expenses in the Statement of Financial Activities.

Expenditure on raising funds - subsidiary company costs relates to the costs of operating a trading company undertaking non-charitable trading activities.

1.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the subsidiary company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when timing differences reverse, based on current tax rates and laws. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets and liabilities are not discounted.

1.14 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transactions. Exchange differences are taken into account in arriving at the (deficit)/surplus for the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

1.15 Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 18.

1.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Also included is cash equivalents which are highly liquid investments that mature in no more than three months from the date of acquisitions and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.18 Finance Costs

Finance costs are charged to the Statement of Financial Activities over the term of the facility using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated facility.

1.19 Pensions

The Charity contributes to employees' personal pension schemes, and the contributions are charged to the Statement of Financial activities when paid.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Trustees, there are no key sources of estimation uncertainty involved in the preparation of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

3. Net income/ (expenditure) for the year

| | Group | | Charity | |
|--------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Net income/ (expenditure) arises after charging: | | | | |
| Depreciation of tangible fixed assets: | | | | |
| - Owned | 207,320 | 245,658 | 161,626 | 185,796 |
| Loss on disposal of tangible fixed assets | 3,590 | 3,471 | 3,590 | 3,471 |
| Auditors' remuneration | 12,700 | 12,700 | 9,250 | 9,250 |
| Auditors' remuneration from non-audit work | 5,400 | 5,400 | 2,750 | 2,750 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Auditors' remuneration for the group includes amounts payable by the subsidiary undertaking, included in expenditure on raising funds.

4. Income from investments

| | Group | | Charity | |
|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Interest received | 925 | 1,950 | 525 | 1,084 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

5. Income from charitable activities

| | Group | | Charity | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Core programme course income | 453,443 | 409,210 | 453,443 | 409,210 |
| Workshop course income | 374,180 | 335,960 | 374,180 | 335,960 |
| Conferences and events income | 172,881 | 283,031 | 172,881 | 283,031 |
| Long term income programme | 194,124 | 155,522 | 194,124 | 155,522 |
| Other educational income | 411,119 | 359,955 | 411,119 | 359,955 |
| Grants | 74,997 | 39,029 | 74,997 | 39,029 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | <u>1,680,744</u> | <u>1,582,707</u> | <u>1,680,744</u> | <u>1,582,707</u> |

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

6. Other income

| | Group | | Charity | |
|---------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Rental income | 89,691 | 83,515 | 101,131 | 96,863 |
| Sundry income | 118,075 | 107,080 | 118,075 | 119,439 |
| | <u>207,766</u> | <u>190,595</u> | <u>219,206</u> | <u>216,302</u> |

7. Expenditure on charitable activities

| | Group | | Charity | |
|------------------------------|------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Staffing costs | 758,493 | 682,275 | 758,493 | 682,275 |
| Direct programme costs | 204,370 | 219,086 | 204,370 | 219,086 |
| Projects expenses | 31,395 | 35,055 | 31,395 | 35,055 |
| Development fund expenses | 100,966 | 68,714 | 100,964 | 68,714 |
| Restricted fund expenses | 92,680 | 156,571 | 92,680 | 156,571 |
| Food and domestic | 248,510 | 245,678 | 248,510 | 245,678 |
| Rent, fuel and maintenance | 279,688 | 260,961 | 444,560 | 430,160 |
| IT and office expenses | 49,315 | 50,342 | 49,315 | 50,342 |
| Marketing | 18,045 | 22,397 | 18,045 | 22,397 |
| Other expenditure | 51,424 | 35,774 | 51,424 | 35,775 |
| Depreciation | 161,626 | 185,979 | 161,626 | 185,979 |
| Loss on sale of fixed assets | 3,590 | 3,471 | 3,590 | 3,471 |
| Finance costs | 31,679 | 23,804 | 28,036 | 19,458 |
| Trading surplus | - | 17,440 | - | 17,440 |
| Audit fees | 9,250 | 9,250 | 9,250 | 9,250 |
| Accountancy fees | 5,150 | 8,725 | 5,150 | 8,725 |
| Shop costs | 4,505 | 8,218 | 4,505 | 8,218 |
| | <u>2,050,686</u> | <u>2,033,740</u> | <u>2,211,193</u> | <u>2,198,594</u> |

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

8. Reconciliation of net income/ (expenditure) to net cash flow from operating activities

| | Group | | Charity | |
|--------------------------------------------------------------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Net income/ (expenditure) for the reporting period | 214,303 | (94,084) | 214,305 | (83,829) |
| Adjustments for: | | | | |
| Depreciation charges and loss/(profit) on the sale of fixed assets | 207,320 | 249,129 | 165,213 | 189,450 |
| Decrease in stocks | 7,277 | 17,439 | 4 | 17,440 |
| Decrease/(increase) in debtors | (33,245) | 45,090 | (28,263) | 44,298 |
| Increase/(decrease) in creditors | 24,328 | 34,329 | (8,982) | (9,999) |
| Net cash provided by operating activities | <u>419,983</u> | <u>251,903</u> | <u>342,277</u> | <u>175,734</u> |

9. Staff costs

| | Group | | Charity | |
|--------------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Wages and salaries | 944,163 | 873,798 | 736,050 | 669,097 |
| National insurance | 35,226 | 26,163 | 19,953 | 13,178 |
| Pensions | 2,490 | 0 | 2,490 | 0 |
| | <u>981,879</u> | <u>899,961</u> | <u>758,493</u> | <u>682,275</u> |

The average number of people employed during the year was 112 (2017 - 110). Of these 67 (2017 - 65) were paid a staff allowance and 45 (2017 - 43) were salaried.

Key management personnel, members of the Stewards' Circle received remuneration of £78,233 and employer pension contributions of £2,490 were made for them.

No employee received remuneration of more than £60,000.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2017 (continued)

10. Tangible fixed assets

| | Group | | | | | | |
|------------------------|--------------------|----------|-----------|---------------------|-----------------------|----------|-----------|
| | Land and Buildings | Vehicles | Equipment | Plant and Machinery | Fixtures and Fittings | Caravans | Total |
| | £ | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | |
| At 1 February 2017 | 5,056,385 | 49,740 | 280,055 | 656,447 | 195,225 | 548,198 | 6,786,048 |
| Additions | 18,852 | 12,000 | 41,987 | 40,171 | 53,695 | - | 166,705 |
| Disposals | - | (1,423) | (2,167) | - | - | - | (3,590) |
| At 31 January 2018 | 5,075,237 | 60,317 | 319,875 | 696,618 | 248,918 | 548,198 | 6,949,163 |
| Depreciation | | | | | | | |
| At 1 February 2017 | 955,063 | 32,429 | 161,749 | 298,560 | 84,042 | 453,211 | 1,979,091 |
| Charge for the year | 103,064 | 6,410 | 27,475 | 33,064 | 20,059 | 16,696 | 207,320 |
| On disposals | - | - | - | - | - | - | - |
| At 31 January 2018 | 1,058,667 | 38,839 | 183,261 | 331,624 | 104,101 | 469,919 | 2,186,411 |
| Net book values | | | | | | | |
| At 31 January 2018 | 4,016,570 | 21,478 | 136,614 | 364,994 | 144,817 | 78,291 | 4,762,768 |
| At 31 January 2017 | 4,101,325 | 17,311 | 157,978 | 358,012 | 77,347 | 94,987 | 4,806,961 |

Land and buildings is further analysed below.

| | Tenant's Improvements | Wind Park | Buildings and Caravans | Eco-mobile Homes | Total |
|------------------------|-----------------------|-----------|------------------------|------------------|-----------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 February 2017 | 247,786 | 112,290 | 4,254,813 | 441,497 | 5,056,385 |
| Additions | - | 1,990 | 16,862 | - | 18,852 |
| Disposals | - | - | - | - | - |
| At 31 January 2018 | 247,786 | 114,280 | 4,271,675 | 441,497 | 5,075,237 |
| Depreciation | | | | | |
| At 1 February 2017 | 76,082 | 43,568 | 709,978 | 125,435 | 955,063 |
| Charge for the year | 5,525 | 4,907 | 67,823 | 25,349 | 103,604 |
| Eliminated on disposal | - | - | - | - | - |
| At 31 January 2018 | 81,607 | 48,475 | 777,801 | 150,784 | 1,058,667 |
| Net book values | | | | | |
| At 31 January 2018 | 166,179 | 65,805 | 3,493,875 | 290,714 | 4,016,573 |
| At 31 January 2017 | 171,704 | 68,722 | 3,544,836 | 316,063 | 4,101,325 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

10. Tangible fixed assets (continued)

| | Buildings and caravans | Eco-mobile homes | Plant and machinery | Charity Tools and equipment | Fixtures and fittings | Motor vehicles | Total |
|------------------------|------------------------|------------------|---------------------|-----------------------------|-----------------------|----------------|----------|
| | £ | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | |
| At 1 February 2017 | 4,254,814 | 441,497 | 475,868 | 260,728 | 113,182 | 49,740 | 5,595,82 |
| Additions | 16,862 | - | 12,281 | 39,812 | 41,015 | 12,000 | 121,96 |
| Disposals | - | - | - | (2,167) | - | (1,423) | (3,590) |
| At 31 January 2018 | 4,271,676 | 441,497 | 488,149 | 298,373 | 154,197 | 60,317 | 5,714,20 |
| Depreciation | | | | | | | |
| At 1 February 2017 | 709,979 | 125,435 | 153,029 | 141,881 | 45,959 | 32,429 | 1,208,71 |
| Charge for the year | 67,823 | 25,349 | 24,454 | 25,246 | 12,343 | 6,410 | 161,62 |
| On disposals | - | - | - | - | - | - | - |
| At 31 January 2018 | 771,802 | 150,784 | 177,483 | 161,127 | 58,302 | 38,839 | 1,370,33 |
| Net book values | | | | | | | |
| At 31 January 2018 | 3,493,874 | 290,713 | 310,666 | 131,247 | 95,893 | 21,478 | 4,343,87 |
| At 31 January 2017 | 3,544,836 | 316,062 | 322,840 | 118,848 | 67,222 | 17,311 | 4,387,11 |

Note 25 details an adjustment made to opening balances.

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

11. Investments

| Cost | Group | | | At 31/01/18 £ |
|----------------------------|---------------------|--------------------------------------------|-------------------------------|---------------------|
| | At 31/01/17 £ | Additions/ release of provision £ | Disposals/ Repayments £ | |
| Phoenix Findhorn CIC | 25,001 | - | - | 25,001 |
| Duneland Limited | 11,000 | - | - | 11,000 |
| Ekobay | 1 | - | (1) | - |
| Findhorn Wind Park Limited | 47,000 | - | - | 47,000 |
| | <u>83,002</u> | <u>-</u> | <u>-</u> | <u>83,001</u> |

The investments held by the group are held by the subsidiary, New Findhorn Directions.

Phoenix Findhorn CIC and Duneland Limited are investments in unlisted companies whose market value cannot be reliably determined and as such these investments are held at historic cost less impairment.

The investment in Findhorn Wind Park Limited is made up of a loan balance £20,000 and £27,000 of investment. The investment is in an unlisted company and the market value cannot be reliably determined therefore the investment is held at historic cost less impairment. The investment is a 33.3% holding and is therefore considered to be an associate undertaking.

Charity

Trading subsidiary

The trading subsidiary, New Findhorn Directions Limited is wholly owned by the Charity, is registered in Scotland and operates a caravan site and maintains energy supplies and infrastructure for The Park. The investment is revalued every year based on the net assets in the subsidiary at the year end.

| VALUATION | £ |
|-----------------------------|----------------|
| At 1 February 2017 | 448,986 |
| Revaluation during the year | 10,700 |
| At 31 January 2018 | <u>459,686</u> |
| NET BOOK VALUE | |
| At 31 January 2018 | <u>459,686</u> |
| At 31 January 2017 | 448,986 |

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

12. Debtors

| | Group | | Charity | |
|----------------------------------------------|----------------|----------------|----------------|----------------|
| | 2018 £ | 2017 £ | 2018 £ | 2017 £ |
| Trade debtors | 64,177 | 83,362 | 22,888 | 42,535 |
| Amounts owed by related parties (Note 21) | 377 | 3,319 | 377 | 3,319 |
| Other debtors | 31,859 | 3,985 | 23,354 | - |
| Prepayments and accrued income | 92,169 | 64,671 | 88,716 | 61,218 |
| | <u>188,582</u> | <u>155,337</u> | <u>135,335</u> | <u>107,072</u> |

13. Creditors: amounts falling due within one year

| | Group | | Charity | |
|-----------------------------------------------------|----------------|----------------|----------------|----------------|
| | 2018 £ | 2017 £ | 2018 £ | 2017 £ |
| Trade creditors | 61,456 | 51,923 | 15,460 | 43,404 |
| Accruals | 40,196 | 61,795 | 34,096 | 42,695 |
| Tax and social security | 7,085 | 9,904 | 4,170 | 6,690 |
| Deferred income | 75,496 | 61,609 | 75,496 | 61,609 |
| Amounts owed to subsidiary undertaking (Note 21) | - | - | 10,264 | 10,311 |
| Other creditors | 69,066 | 50,666 | 37,862 | 28,547 |
| Interest free loans (Note 15) | 40,983 | 15,298 | 40,983 | 15,298 |
| Ekopia loan (Note 15) | 15,146 | 14,412 | - | - |
| Savings and loan scheme (Note 14) | 161,189 | 140,967 | 161,189 | 140,967 |
| Bank loan (Note 15) | 13,614 | 13,096 | 13,614 | 13,096 |
| | <u>484,231</u> | <u>419,670</u> | <u>393,134</u> | <u>362,617</u> |

14. Savings and loan scheme

The scheme relates to money borrowed from the Foundation's co-workers and supporters to assist in the financing of its activities. Statements are issued to participants recording receipts and withdrawals. No interest is paid to members of the scheme and amounts are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

15. Creditors: amounts falling due after one year

| | Group | | Charity | |
|--------------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Interest free loan | 11,416 | 50,398 | 11,416 | 50,398 |
| Bank loan | 92,678 | 106,276 | 92,678 | 106,276 |
| Ekopia loan | 50,229 | 65,375 | - | - |
| | <u>154,323</u> | <u>222,049</u> | <u>104,094</u> | <u>156,674</u> |

The Bank loan is repayable in monthly instalments with the last instalment due in December 2024. Interest is charged on the loan at 3.5% over base rate. The loan is secured over the Park Building, The Park, Findhorn, Moray, IV36 3TZ and Treya, 224 Pineridge, The Park, Findhorn, Moray, IV36 3TZ. The Ekopia loan is secured by an unregistered security over the property of Traigh Bhan, Iona. It has an interest rate of 4.98%. Repayments are made monthly and repayment concludes in January 2021.

The interest free loans represent a loan provided to the Foundation by one individual, which is due for repayment in full or renegotiation in March 2018, and also a small business loan from the Energy Saving Trust.

16. Provisions for liabilities and charges

Deferred tax is analysed over the following timing differences:

| | Group | | Charity | |
|-------------------------------------------------------|---------------|---------------|----------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Accelerated capital allowances | 4,897 | 4,897 | - | - |
| Tax losses carried forward | (13,584) | (13,584) | - | - |
| | <u>21,313</u> | <u>21,313</u> | <u>-</u> | <u>-</u> |
| Movements on the provision for deferred taxation are: | | | | |
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| At 1 February 2017 | 23,922 | 23,922 | - | - |
| Charge/(release) for year | (2,609) | (2,609) | - | - |
| At 31 January 2018 | <u>21,313</u> | <u>21,313</u> | <u>-</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

17. Analysis of net assets between funds

| Group | General Reserve | Development Reserve | Total | Total |
|----------------------------------------|------------------|---------------------|------------------|------------------|
| | £ | £ | 2018 | 2017 |
| | £ | £ | £ | £ |
| Tangible fixed assets | 4,762,768 | - | 4,762,768 | 4,806,961 |
| Investments | 83,001 | - | 83,001 | 83,002 |
| Cash at bank and in hand | 372,504 | 399,475 | 771,979 | 542,615 |
| Stocks | 57,252 | - | 57,252 | 64,529 |
| Debtors | 188,582 | - | 188,582 | 155,337 |
| Creditors due within one year | (484,231) | - | (484,231) | (419,670) |
| Creditors due in more than one year | (154,323) | - | (154,323) | (222,049) |
| Provisions for liabilities and charges | (21,313) | - | (21,313) | (21,313) |
| | <u>4,804,240</u> | <u>399,475</u> | <u>5,203,715</u> | <u>4,989,412</u> |

| Charity | General Reserve | Development Reserve | Investments Revaluation Reserve | Total | Total |
|-------------------------------------|------------------|---------------------|---------------------------------|------------------|------------------|
| | £ | £ | £ | 2018 | 2017 |
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | 4,343,871 | - | - | 4,442,871 | 4,387,114 |
| Investments | - | - | 459,686 | 459,686 | 448,986 |
| Cash at bank and in hand | 305,324 | 399,475 | - | 704,799 | 508,275 |
| Stocks | 57,252 | - | - | 57,252 | 57,256 |
| Debtors | 135,335 | - | - | 135,335 | 107,072 |
| Creditors due within one year | (393,134) | - | - | (393,134) | (362,617) |
| Creditors due in more than one year | (104,094) | - | - | (104,094) | (156,674) |
| | <u>4,344,554</u> | <u>399,475</u> | <u>459,686</u> | <u>5,203,715</u> | <u>4,989,412</u> |

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

18. Analysis of net assets between funds (continued)

Purposes of reserves

Investments revaluation reserve

This represents the movement in value of the investment in New Findhorn Directions Limited.

Development reserve

This represents amounts restricted by the donor for specific development projects.

General reserve

This represents unrestricted funds which can be used for general purposes.

Restricted Funds

This represents monies received to provide a range of targeted activities.

Analysis of Fund Movement:

| | 1 February 2017 | Income | Expenditure | 31 January 2018 |
|---------------------|--------------------|------------------|--------------------|--------------------|
| | £ | £ | £ | £ |
| General Reserve | 4,804,231 | 2,701,719 | (2,701,710) | 4,804,240 |
| Development Reserve | 185,181 | 315,260 | (100,966) | 399,475 |
| Restricted Funds | - | 92,860 | (92,860) | - |
| | <u>4,989,412</u> | <u>3,109,839</u> | <u>(2,895,536)</u> | <u>5,203,715</u> |

19. Contingent liabilities

The Findhorn Foundation has provided a letter of guarantee for Findhorn Foundation College for £50,000 (2017: £50,000). In addition, New Findhorn Directions Limited has borrowed £65,375 (2017: £79,787) from Ekopia Resource Exchange and this loan is guaranteed by the Findhorn Foundation.

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

20. Operating lease commitments

At 31 January 2018 the Findhorn Foundation's total commitments under non-cancellable leases were as follows:

| | Group | | Charity | |
|----------------------------|---------------|---------------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Within one year | 18,336 | 18,336 | 4,740 | 4,740 |
| Between two and five years | 66,629 | 71,369 | 12,245 | 16,985 |
| After five years | 9,064 | 9,064 | - | - |
| | <u>94,029</u> | <u>98,769</u> | <u>16,985</u> | <u>21,725</u> |

21. Related party transactions

During the year, the Findhorn Foundation made sales to its subsidiary, New Findhorn Directions Limited, of £26,089 (2017 - £26,188) and made purchases of £164,872 (2017 - £169,200). At the reporting date, the Findhorn Foundation owed its subsidiary £10,264 (2017 - £10,311).

Included in debtors (Note 13) at the year-end is a balance of £337 (2017 - £3,319) relating to Findhorn Foundation College, whose board are appointed in conjunction with the Trustees and Management Group of the Findhorn Foundation. During the year, £68,544 (2016 - £56,510) of the income came from the College. Purchase invoices from the college amounted to £nil (2017 - £1,200) and no donations were given to the College (2017: £nil) during the year.

The Universal Hall Ltd was formed in 2009 and is an independent company that promotes artistic performances in the Findhorn Foundation's Universal Hall. The Company pays the Foundation for food, accommodation, space and equipment rental and internet services. The Universal Hall Ltd paid £18,241 to the Findhorn Foundation in the year ending 31 January 2018 (2017 - £18,590) and owed the Findhorn Foundation £8 (2017 - £51) at the reporting date.

New Findhorn Directions Limited purchases electricity supplies from Findhorn Wind Park Limited, an associated undertaking, amounting to £167,025 (2017 - £148,365). These transactions were conducted at an open market value. At the reporting date the Company owes Findhorn Wind Park Limited £3,000 (2017 - £nil).

The subsidiary also provided a loan to Findhorn Wind Park Limited of £20,000 (2017 - £20,000). This loan is unsecured and has no fixed terms of repayment. During the year ending 31 January 2018, interest receivable on this loan amounted to £400 (2017 - £866).

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

21. Related party transactions (continued)

During the year there were the undernoted transactions at arm's length with the Trustees and businesses associated with them. Not all travel costs are claimed by Trustees.

| | | (Received)/Paid £ | Outstanding at year end £ |
|----------------------|-------------------------------------------------|------------------------------|------------------------------------|
| Mari Hollander | Rent | £4,800 (2017 – £4,800) | £nil (2017 - £nil) |
| Lisette Schuitemaker | Donation | £283,010 (2017 – £79,272) | £nil (2017 - £nil) |
| | Course income | £695 (2017 - £nil) | £nil (2017 - £nil) |
| Mark Anderson | Donation | £100 (2017 – £650) | £nil (2017 - £nil) |
| | IT consultancy | £1,744 (2017 - £1,504) | £1,128 (2017 - £nil) |
| Paul Dickinson | Travel expenses (on behalf of a visiting group) | £8,000 (2017 - £12,969) | £nil (2017-£nil) |
| | Course income | £3,067 (2017 - £nil) | £nil (2017 - £nil) |
| | Reimbursement of marketing expenses | £5,000 (2017 - £7,000) | £nil (2017 - £nil) |
| Francine Rietberg | Staff allowance | £2,640 (2017- £600) | £nil (2017- £nil) |
| Helen Wildsmith | Course income | £2,085 (2017- £900) | £nil (2017- £nil) |
| | Donation | £6,000 (2017- £200) | £nil (2017- £nil) |
| Kathy Tyler | Travel expenses | £1,644 (2017- £nil) | £nil (2017- £nil) |
| | Consultation | £100 (2017 - £nil) | £nil (2017- £nil) |
| Roger Collis | Donation | £460 (2017 - £nil) | £nil (2017 - £nil) |
| | Travel expenses | £1,287 (2017 - £nil) | £nil (2017 - £nil) |
| Nicola Coombe | Travel expenses | £127 (2017 - £nil) | £nil (2017 - £nil) |

THE FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

22. Ultimate controlling party

The ultimate controlling party is considered to be the Board of Trustees.

23. Comparative statement of financial activities

| | General Reserve £ | Development Reserve £ | Restricted Funds £ | Total 2017 £ |
|------------------------------------------|-------------------------|-----------------------------|--------------------------|--------------------|
| Income from: | | | | |
| Donations and legacies | 83,260 | 78,519 | 156,571 | 318,350 |
| Charitable activities | 1,582,707 | - | - | 1,582,707 |
| Other trading activities | 471,057 | - | - | 471,057 |
| Investments | 1,950 | - | - | 1,950 |
| Other | 190,595 | - | - | 190,595 |
| | <u>2,329,569</u> | <u>78,519</u> | <u>156,571</u> | <u>2,564,659</u> |
| Expenditure on: | | | | |
| Raising funds – subsidiary company costs | 621,327 | - | - | 621,327 |
| Raising funds – Charity costs | 3,676 | - | - | 3,676 |
| Charitable activities | 1,808,455 | 68,714 | 156,571 | 2,033,740 |
| | <u>2,433,458</u> | <u>68,714</u> | <u>156,571</u> | <u>2,658,743</u> |
| Net (expenditure)/ income | (103,889) | 9,805 | - | (94,084) |
| Transfers between funds | - | - | - | - |
| Net movement in funds | (103,889) | 9,805 | - | (94,084) |
| Reconciliation of funds | | | | |
| Funds brought forward | 4,908,120 | 175,376 | - | 5,083,496 |
| Total funds carried forward | <u>4,804,231</u> | <u>185,181</u> | <u>-</u> | <u>4,989,412</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2018 (continued)

24. Charity only Statement of Financial Activities

| | | Investments | | | | As restated | |
|------------------------------------|--------------------|----------------|----------------|---------------|------------------|------------------|--|
| | General | Development | Revaluation | Restricted | Total | Total | |
| Note | Reserve | Reserve | Reserve | Funds | 2018 | 2017 | |
| | £ | £ | £ | £ | £ | £ | |
| Income from: | | | | | | | |
| Donations and legacies | 87,103 | 315,260 | - | 92,680 | 495,043 | 318,351 | |
| Investment income | 4 525 | - | - | - | 525 | 1,084 | |
| Charitable activities | 5 1,706,833 | - | - | - | 1,706,833 | 1,582,707 | |
| Other income | 6 219,206 | - | - | - | 219,206 | 216,303 | |
| Total | 2,013,667 | 315,260 | - | 92,680 | 2,421,607 | 2,118,445 | |
| Expenditure on: | | | | | | | |
| Charitable activities | 8 2,018,269 | 100,966 | - | 92,680 | 2,211,915 | 2,198,598 | |
| Voluntary income | 6,089 | - | - | - | 6,089 | 3,676 | |
| Total | 7 2,024,358 | 100,966 | - | 92,680 | 2,218,004 | 2,202,274 | |
| Net income/(expenditure) | 2 (10,691) | 214,294 | - | - | 203,603 | (83,829) | |
| Transfers between funds | - | - | - | - | - | - | |
| Unrealised gains | - | - | 10,700 | - | 10,700 | (10,257) | |
| Net movement in funds | (10,691) | 214,296 | 10,700 | - | 214,303 | (94,084) | |
| Reconciliation of funds | | | | | | | |
| Funds brought forward | 4,455,245 | 185,181 | 448,986 | - | 4,989,412 | 5,083,496 | |
| Total funds carried forward | 4,444,554 | 399,477 | 459,684 | - | 5,203,715 | 4,989,412 | |

25. Adoption of FRS 102 Triennial Review 2017 Amendments

The charity has applied early adoption of FRS 102 Triennial Review 2017 Amendments. This has resulted in reclassification of investment property with a value of £250,000 in the Charity only balance sheet being transferred back to land and buildings at a cost of £150,000. Consequently prior year figures have been restated for this reclassification, with a related £100,000 reduction to reserves.



FINDHORN
FOUNDATION

We are incredibly grateful for all your support. We depend on voluntary donations, including gifts in wills, to help build a positive, sustainable future for the world.

findhorn.org



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