

Findhorn Foundation

Trustees' Annual Report & Financial Statements
for the year ended 31 January 2021



Scottish Charity Number SC007233

Findhorn Foundation Trustees' Report for the year ended 31 January 2021

The Trustees present their report and the financial statements for the year ended 31 January 2021. This report is prepared in accordance with the recommendations of the Charities Statement of Recommended Practice (FRS 102) and complies with applicable law.

Charity Information

Trustees

Kathy Tyler (Chair)
Mark Anderson
Roger Collis
Nicola Coombe
Paul Dickinson
Francine Rietberg
Helen Wildsmith

The Stewards' Circle

Caroline Matters, Lead Steward
Simon Stedman, Finance Steward
Iris Toister, Environment Steward
Andrea Marcus, Education Steward (*temporary appointment in March 2020, confirmed in January 2021*)

Jamie Jackson, Learning Steward (*resigned October 2020*)
Judith Bone (*temporary appointment from March to August 2020*)
Gabi John, Interim Service Steward (*temporary appointment from April to October 2020*)
Sasha Angus, Communications Steward (*resigned March 2020*)
Rossana Bonanno, Service Steward (*resigned April 2020*)

Charity Number

SC007233

Principal Address

The Park, Findhorn, Forres, IV36 3TZ

Auditor

Johnston Carmichael LLP Commerce House, South St, Elgin IV30 1JE

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 5th Floor, 1 Exchange Crescent, Conference Square,
Edinburgh EH3 8UL

Cockburns Solicitors 100C High St, Forres, IV36 1NX

Collingwood Legal 30 Riverside Studios, Amethyst Road, Newcastle Business Park, Newcastle upon
Tyne, NE4 7YL

McGill & Co Solicitors 34 Lochrin Buildings, Edinburgh, EH3 9ND

US Fiscal sponsors

The Hygeia Foundation PO Box 1176, New Canaan, CT 06840, USA

Tides Foundation PO Box 399389, San Francisco, CA 94139-9389, USA

About the Findhorn Foundation

Who we are

A leading international centre of transformative learning rooted in a spiritual community.

Our vision

A radically transformed world, where humanity embodies the Sacred, we honour each other and co-create wisely and lovingly with all life.

Our purpose is

To personally and collectively activate and embody the Sacred every day.

Our mission

Transformative learning that serves the world, by actively living and sharing our spiritual practices every day.

- Listening to the sacred within
- Co-creating with the intelligence of nature, and
- Work as love in action

Our sites

Cluny

Our Cluny Hill site is a former Victorian spa hotel set amid forested hills in the historic town of Forres. It first brought our founders to northeast Scotland in 1957, when they successfully managed the hotel. In 1975 the Foundation purchased the hotel as a centre for workshops, special events and for staff accommodation.

Erraid

Located close to Iona, Erraid is a tiny island, which has been home to small groups of members of the Findhorn Foundation for over 40 years. The Foundation are leaseholders and caretakers in exchange for the owning family using the island for one month every summer. Due to the Covid-19 pandemic, it was unable to run its usual residential retreat programmes in 2020. (erraid.com)

Iona

Our retreat house, Traigh Bhan, is located on the magical Hebridean island of Iona. In 2020, again due to the Covid-19 pandemic, we were unable to hold our usual spiritual retreats but it was made available to Foundation coworkers for personal retreats when regulations allowed.

(findhorn.org/iona)

The Park

Situated on the beautiful Findhorn Bay, The Park Ecovillage, or The Park, for short, is a 15-hectare private estate making up a number of businesses, charities, ecovillage neighbourhoods, the Original Garden, some of our guest and coworker accommodations and offices, and various sanctuaries (spaces for meditation and contemplation) and buildings used by both the Foundation and the community, such as the Universal Hall. Adjacent to our Park site, Cullerne Gardens is the Findhorn Foundation's main organic produce market garden, which provides food for guests and coworkers and is the main centre of activities for our social inclusion day services and training and capacity building in areas of employability, food security and sustainability.

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Introduction from the Chair of Trustees

Dear Friends,

Our hearts go out to all around the world who faced the many challenges of 2020, a year which starkly reminded us of our fragile connections to each other and our planet.

The passing of Dorothy Maclean – the last surviving co-founder of the Findhorn Community just under two weeks before the first UK lockdown – marked the beginning of many changes that were to follow in 2020. As a pioneer in developing the relationship with the intelligence of nature for which the Foundation is known throughout the world, Dorothy left a rich legacy for us to carry into the future.

The events that continued to unfold during the year forced us to discover new ways of collaborating to deliver our charitable objectives. With lockdown, travel restrictions, and ever-changing health regulations, we had to adapt, find new ways to navigate, make difficult decisions and restructure our operations. To ensure that we continued to deliver our charitable purposes and engage with those who benefit from our work, we developed online learning opportunities, shared inspiring messages with new audiences, rekindled connections with generous friends all over the world and invested time in strengthening our spiritual roots. Our relationships in Moray were also strengthened as we donated fresh produce to a local food bank and built new local educational partnerships, such as the Moray Food Systems and Livelihood programme.

However, as the year progressed, it became clear that more of our residential educational programmes had to be cancelled. Because our projected primary source of income from onsite participant programme fees might not be realised again, it meant that immediate drastic measures were needed. We entered a period of significant staff reduction of 50% by the end of the financial year, reshaping the whole charity. It was challenging and painful for many and we are still living with the grief and uncertainty of the changing environment.

In April 2021, fires destroyed our beloved Sanctuary and Community Centre at The Park. These were two of the key buildings given to our charity by the original Findhorn spiritual community in 1972. These were the result of an arson attack at night, and the culprit was remanded in custody. Thankfully nobody was hurt during these large fires, and we extend our sincere thanks for the brave work of the fire service. We are grateful for the local and global outpourings of support, love, appreciation and charitable financial contributions. We are currently initiating a collaborative process for designing and rebuilding our Community Centre and Sanctuary and to secure the £1 million plus which will be needed to realise our new vision for the future.

The impact of the pandemic and the fires has challenged us to ask ourselves fundamental questions about our future directions, priorities and resourcing as an educational centre of demonstration seeking to support a radically transforming world. Throughout the last year, we reached out for support in navigating this incredibly challenging time of Covid. We received a generous response from supporters and donors from all around the world, which means we can emerge from this difficult time with stronger relationships, an experienced philanthropy team in place, and a robust educational and communications strategy being developed and implemented.

The Trustees offer our deep gratitude to all who have served and supported us during the pandemic and for the inner and outer work being done on multiple levels to hold the Findhorn Foundation, the Findhorn Community and world during this time of unprecedented transition.

Kathy Tyler

Chair of Trustees, Findhorn Foundation

The Loss of our Community Centre and Sanctuary

In the early hours of 12 April 2021, two fires at The Park in Findhorn destroyed iconic buildings at the spiritual and social heart of our community: the Community Centre and the Main Sanctuary. Both buildings were beloved by many people locally and around the world and were home to many memories. The Community Centre and Sanctuary were gifted to us at the Charity's formation in 1972 and were amongst the first buildings constructed by the spiritual community in the 1960s. There was no loss of life, for which we are extremely grateful, but it has caused pain and difficulty for many and at the same time it has created an opportunity to rebuild using high eco-specifications in line with our planet care commitments.

The community's main meditation sanctuary had been the spiritual heart of the community and, in addition to regular weekday meditations, hosted community weddings, ceremonies and children's sanctuary for decades. It was open to the public for private meditation and for times of quiet.

The community centre has been the hub of the community for meals, social gatherings, ceilidhs, weddings, talks, and dance and music events. When the regular programme of residential events was running, it was usually very busy.

There were outpourings of support, love, appreciation and financial contributions from individuals and other centres of light all around the world. This show of solidarity is much appreciated by the Foundation, and The Park Ecovillage Community. We are also deeply grateful to the Scottish Fire and Rescue Service for their quick response in containing the fires and ensuring the safety of all concerned, and to the community volunteers and coworkers who assisted on the night and the following days and weeks.

Our focus now is to develop plans for the rebuilding of these spaces so they can serve the needs of the Foundation and community for the next decades, and we expect we will need significant funds to support this ambition. A committee, comprised of key stakeholders from community organisations, including the Foundation, has a remit of, amongst other objectives, the drafting of a brief for the Sanctuary & Community Centre rebuild. We are grateful to John Talbott, who previously oversaw the ecovillage development within The Park, for returning to Findhorn to lead this effort.

We affirm the importance of having a vision of our future that meets all our many needs as the Findhorn Foundation and Community. We see the rebuilding process as an opportunity for collaboration, creativity and the emergence of new ways of bringing cohesion and clarity to our common future as one Community.

Expressions of support and appreciation from our international and local donors

"I attended the Family Experience Week in July 2019 with my two granddaughters, Helene and Eden Ramunas. It was a memorable and transformative experience for each of us, and left us with fond and lasting memories of Findhorn. We were shocked and saddened to hear about the fire in the Community Centre and the Sanctuary. Please put this donation towards their rebuilding." *Susan Fletcher*

"With my love, my gratitude for the inspiring community you are, and my blessings for all the people, the present and future of the Community and of the Foundation. Best wishes for the rebirth of the Community Centre and Sanctuary, in alignment with the highest good." *Florence Tibout, donor*

Developing a new Educational Strategy

Building on the pre-Covid educational strategy, the Charity has been reviewing its entire educational offering. This strategy takes into account people's reluctance to travel, the impact of Brexit on our longer term residential programmes, the need to reduce our carbon footprint, operating with a smaller workforce, the loss of facilities due to fires, and the need to develop more robust structures and new initiatives to implement our programmes.

Under the direction of the Trustees, the Stewards started work in late 2018 on a new strategy for the charity's education offerings, with the aim of increasing impact in the charity's core spiritual and environmental areas, reaching wider audiences and updating the format of programmes – including expanding online activities. A key part of the strategy was to ensure that there is a strong education focus that both meets our charitable objectives and supports the Charity's long-term financial sustainability.

Through most of 2020 work on strategic development was slowed down due to the immediate need of adjusting to the operational and staffing challenges of Covid-19. Despite the lockdown, we were able to offer free educational resources online and experiment with paid online workshops and events.

Work on the education strategy restarted in earnest in early 2021 and continues to evolve in response to world conditions and the uncertainties about the future.

The essence of our strategy is to strengthen and invest in the following areas:

- expand and develop local partnerships to support educational programmes addressing social exclusion.
- expand educational programmes for change makers, particularly those working in climate change and sustainability.
- significantly enhance reach and impact in online educational programmes and activities.
- continue to provide the charity's traditional core educational programmes, but to a wider and more diverse audience.
- invest in facilities, fundraising, marketing and communications to support the above, with those investments supported by grants and donations wherever possible.

The following sections describe the work we were able to do in 2020 towards these objectives, and how we are continuing in 2021 and beyond.

2020 Education Activities

The year began with programmes such as Living in Community as a Guest (LCG) and Erraid retreat weeks being well attended, and our Findhorn Bay Care Farm in full operation. Our Findhorn International Centre for Sustainability (FICS) schedule of programmes for the year was fuller than ever, and well booked.

This all came to a halt in March with the first UK-wide Covid-19 lockdown. Travel, social distancing and other Covid related restrictions meant that we weren't able to run any of these planned programmes for the remainder of 2020. Although there was some easing of restrictions in the

summer and early autumn, we found that most people were not willing or able to travel for Foundation programmes. The Charity has been significantly affected by the lockdowns and we were unable to restart our normal programmes for the duration of the 2020/21 financial year, and well into the following year.

We did, however, have some success with online activities. Some programmes, originally conceived and scheduled as on-site programmes, were successfully reconfigured to an online format: Transformational Leadership in the time of Corona, an eight-month long weekly peer support programme; Transformational Leadership: Supporting Emergence, an eight-month leadership and change makers programme; Stephen Busby's Guidance For Life and Transforming Our World From Within, a two week-long intensive programme to help people to tap more skilfully into wisdom from within; and three Transformation Game events. We also held the Foundation's first online global summit, Roots of Tomorrow, in July 2020, which was attended by over 300 people. The existing online series, Living the New Story, continued with more participants than ever, and other online activities included Online Sharing Circles, The Power of Prayer with Caroline Myss, and development of our online community of learning and spiritual practice via global live streaming sessions including meditations, and walks around The Park and our gardens.

Our new selection of inspirational and educational videos on YouTube saw a significant increase in subscribers from 4,791 in January 2020 to 15,803 in February 2021. Our Facebook followers also increased from 64,711 in February 2020 to 73,887 followers at the beginning of February 2021.

Future Directions

The last 18 months have brought significant changes to the Foundation – we have a smaller coworker body than at any time since the early years of the charity, have lost important and much-loved buildings to fire, and are operating in a world profoundly changed by the Covid-19 pandemic.

In spite of all these challenges, trustees remain optimistic for the future – the Foundation's educational, spiritual, and environmental work is more important than ever, and our potential audience is bigger than ever before. We are being called to make a bigger impact and intend to do so.

Our evolving education strategy for on-site education focuses more directly on socially excluded groups, young people and change makers – the first programmes run as pandemic related restrictions eased in late summer and autumn 2021 were primarily for these groups. Supported by the branding and website development undertaken in 2021, we also expect to have a significantly stronger online presence in 2022.

Delivering on this strategy will require new skills and leadership and we plan to continue recruiting where required to support this, particularly in the online area.

Looking towards 2022, work is in progress to schedule a more normal level of on-site programmes across all our sites, and we hope to be operating at close to pre-pandemic levels of activity.

Work already underway on planning for the rebuilding of our main sanctuary and community centre will continue in 2022, along with developing an updated masterplan for The Park, which will help to ensure that we make best use of our assets at The Park for the coming decades.

Testimonials of support and appreciation from our online participants

“Thank you for your online offerings. They are a balm and inspiration right now. I look forward to visiting Findhorn.” *Lori Moss*

“Roots of Tomorrow was the next best thing to spending a week at Findhorn.” *Roots of Tomorrow participant*

“I experienced lots of deep new insights, new understandings. I was surprised by the depth we could reach online by ushering the game and due to the great amount of preparation and great facilitation”. *Online Transformation Game participant*

Related Parties, Partners and Networks

During the year we remained in close contact with our many networks. There were offers of financial support, the sharing of new ideas and programme content, and thoughts on restructuring the Foundation once the pandemic was ended. The pandemic crisis created the opportunity for new relationships to emerge and potential partnerships to further our education outreach. We remain an active partner in global, national and local networks and we will continue to strengthen these relationships in the coming years.

Related parties

Findhorn College

Due to the Covid-19 crisis, the Findhorn College is registered as dormant with the British Accreditation Council (BAC) for at least eighteen months. In line with this designation, some experimental online and in person educational activity has been undertaken in 2020/21. An integrated education strategy is now envisaged for 2022 and when the College's accounts are completed for the year to 31st January 2022, they will be consolidated into the Foundation's accounts.

Originally a department of the Findhorn Foundation, the College became a separate charity in 2001 to offer accredited education.

New Findhorn Directions (NFD)

Non-charitable trading activities related to The Findhorn Foundation are carried out through its wholly owned subsidiary, New Findhorn Directions Limited (NFD). NFD manages the Foundation's commercial interests and provides a variety of services to commercial and domestic interests in The Park Ecovillage and the Title Holders Association of The Park.

NFD owns and operates the Findhorn Bay Holiday Park at The Park. NFD strives to embody the guiding principles and ethos of the Findhorn Foundation in its daily work. Profits from NFD are either reinvested or donated to the Foundation.

For many years NFD has provided affordable accommodation in The Park by re-using caravans no longer needed by the Holiday Park. In 2018 NFD was awarded a grant of over £530k from the Scottish Government's Rural Housing Fund to support the construction of Silvertrees, eight new high-quality affordable housing units. This is a partnership between the Foundation, which provided the land, and Ekopia Social Investments Ltd, which secured the financing. The Silvertrees project was completed in July 2021 with tenants moving in soon after.

Education partners

Inner Links

InnerLinks is an educational, consulting and training organisation which researches and develops Transformation Game products, programmes and trainings to catalyse change, and encourage personal creativity and team and organisational development. The Findhorn Foundation hosts

Transformation Game events and facilitator training in partnership with InnerLinks and the Findhorn College.

Findhorn Hinterland Trust

The Findhorn Hinterland Trust is an education and conservation charity that works with local landowners, adults, and young people of all ages in teaching stewardship of the environment whilst building a sense of local community. Many of its activities such as skills training in land management, courses in biodiversity and work on their demonstration Edible Woodland Garden take place in Wilkies Wood adjacent to the Park Ecovillage in Findhorn. The Trust pioneered community managed green burials in Scotland by establishing its Wilkies Wood Green Burial Site. The Foundation collaborates with the Findhorn Hinterland Trust in the development of joint nature-based education programmes for a variety of participants, including those with learning challenges.

Local educational and third sector networks

The Foundation benefits from being a member of the Moray Social Enterprise Network, Voluntary Action Moray, tsiMORAY and Moray Pathways.

Global partners

Global Ecovillage Network

The Findhorn Foundation is a founding member of the Global Ecovillage Network and continues its collaboration with the organisation, which is based adjacent to our Park site.

Holistic Centres Network (HCN)

The Findhorn Foundation is a member of Holistic Centres Network, a global hub which offers community and connection to help its member centres thrive. Throughout the period we used the HCN online platform to share information about how we were handling the Covid-19 crisis, as well as to gather information and inspiration about how other centres were managing the different aspects of their operations during the pandemic.

United Nations

In 1997 the Findhorn Foundation, as a non-governmental organisation (NGO), became formally associated with the Department of Public Information (now known as the Department of Global Communications (DGC)) at the United Nations headquarters in New York City, recognising that our work is aligned with the mission of the UN.

Since then the Foundation has been represented regularly at the UN headquarters by Frances Edwards and John Clausen, both Findhorn Fellows and former members of the Foundation. Besides attending DGC Briefings and other UN events at the UN Headquarters, they organise meetings, meditations, and other activities in support of the spiritual work at the NGO community. They are founding members of the Spiritual Caucus at the UN and have been on the Spiritual

Caucus Coordinating Council since it began in 2000. Frances has been Convenor of the Council for the past several years.

John and Frances are also members of the Conference of NGOs Committee on Sustainable Development-New York, which actively promotes the Sustainable Development Goals (SDGs). At the United Nations HQ they collaborate with the Global Ecovillage Network and Gaia Education and in 2018 and 2019 hosted an information table at the High Level Political Forum on Sustainable Development.

As the Findhorn Foundation steps into its 24th year of collaboration we continue to support and highlight its Sustainable Development Goals.

In Spring 2020, Jamie Jackson, formerly our Learning Steward, was allocated a youth representative pass to represent the Findhorn Foundation at the United Nations. May East is our UN representative.

Networks

This last year we have stayed in touch with our networks, sharing updates with them regularly.

Findhorn Fellows

The Findhorn Foundation has over 100 Fellows from all parts of the world. They are leaders in their respective fields, change agents who are strongly connected to the vision of the Foundation as a centre for spiritual transformation. They participate in conferences, provide consultation on programme development, and offer their depth of understanding of the critical issues facing the planet.

Resource People

Our Resource People (RPs) are committed individuals all around the world who maintain a close connection with the Foundation. They have been to the Foundation and have participated in Experience Week and other programmes. The RPs currently number 169 people from 36 countries. They are a source of information about our vision, principles, and history, and offer various Foundation-related activities in their home region.

Findhorn Extended Members Council (FEMC)

The Findhorn Extended Members Council (FEMC) was started by former Community members living in the USA and in Forres with a purpose of bringing together extended members and volunteers who have been engaged with the Foundation and Community over the decades. During the pandemic this alumni group reconnected with the founding spiritual impulse exploring ways to connect with one another, build a global network of support, and learn new ways of being engaged with the Foundation and the Community during a year of uncertainty and challenge.

Our community partners

New Findhorn Association (NFA)

The Findhorn Foundation is a member of the New Findhorn Association (NFA). Formed in 1999, NFA is the community membership association for individuals and organisations within a radius of 50 miles of Findhorn, who acknowledge to live and work by a set of core values laid out by the community, which we call our Common Ground. Listener Convenors take the pulse of the community and convene meetings accordingly. Decisions are made by a council of community volunteers, thus the power to create community lies with community members.

During the pandemic a Covid Action Group was initiated in response to concerns from our Health and Safety Office. Working closely with NFA we brought together key stakeholders and representatives from local community organisations to develop a unified response to the crisis and to develop support systems to help individuals who were struggling with isolation, health issues, or loss of income.

Universal Hall Promotions

The Universal Hall is owned by the Findhorn Foundation and hosts community and professional activities and events, as well as conferences and education events. The Universal Hall Promotions company works with the Foundation to present world-class music, dance, theatre, comedy and film all year round when this is not used for Findhorn Foundation events. The shows are well attended by locals and offer a valued addition to Moray cultural life. The Universal Hall Promotions company receives financial support from Creative Scotland and local donors. Universal Hall was closed for most of 2020 due to pandemic related public health restrictions.

Park Ecovillage Trust (PET)

We work closely with the Park Ecovillage Trust in their mission to encourage social development, environmental protection and improvement, and wellbeing in the whole Findhorn Ecovillage Community.

Building a Philanthropic Culture

Gratitude to our Donors and Supporters

Summary

A significant amount of time has been dedicated by the management team at the direction of the Trustees to build a strong and skilled fundraising team to raise new sources of funding. In the short-term, this has been to cover the loss of income to the Charity due to Covid-19 restrictions and raise money to replace the buildings lost by fire. In the longer-term, the Charity intends to use this expanded fundraising team to draw in more grants and other funding sources to reduce the organisation's reliance on fees from residential programme participants.

Pandemic response

Even before the advent of Covid-19, the Trustees and Stewards had been developing plans for increasing financial stability through the diversification of the Foundation's revenue streams. At that time, the majority of the Foundation's income was generated by in-person education programmes and was minimally supplemented by grants from the Scottish government and support from a small handful of private donors.

In November 2019, trustees approved a plan to hire an external development consultant to support our fundraising. In response to the potentially devastating impact of the pandemic, this plan was adapted and a strategic two-year crisis campaign was developed to not only mitigate the income shortfall, but also to position the Foundation for full recovery and forward momentum. Along with addressing immediate cash flow needs, this plan also included bringing new professionals into the Foundation to proactively develop philanthropic activities in the post-Covid world.

The first year of the crisis campaign consisted of a dynamic email and social media push that reached out around the world to ask for support from everyone with a connection to the Foundation. This short-term effort brought in gifts and grants – including £100k from the Scottish Government's Third Sector Resilience Fund soon after the March 2020 lockdown – and continued to generate donations into the following year.

As of mid-2021/22, the new Philanthropy team leadership is in place and operating a three-fold engagement plan of Events and Outreach, led by Valerie Whistler, Institutional Funding, headed by Shaun Vincent, and Donor Stewardship, overseen by Rachel Olson, the team's Focaliser (Manager).

Unprecedented support from our global network

The decision to move the Foundation into a professional fundraising programme has been met with mixed and varied reactions and continues to be part of a larger cultural transition of the charity into the post-Covid reality. Even so, response to the Philanthropy team's efforts have, thus far, been decidedly positive. Donors from all over the world have provided vital resources while bolstering their relationship to a global network of committed partners and kindred spirits.

To date our philanthropic efforts have included:

- Electronic appeals for direct donations
- Person-to-person cultivation of individual donor relationships
- Initiating generative relationships with public and private trusts
- Fundraising events, most notably the April 2021 Kiltwalk.

Between February 2020 and August 2021 over 2,500 people responded to the Foundation's requests for support during the pandemic, as well as after the fires that destroyed the Sanctuary and Community Centre. Not only did these deeply-appreciated contributions allow the Foundation to continue its work toward restructuring and updating the whole organisation, it also demonstrated remarkable depths of regard and support for the charity's vision and values.

In a year when the majority of Scottish charities experienced a significant decrease in donated income, the Findhorn Foundation was among the 8% to report an increase. (*COVID-19 Impact on Charities (Wave Two)*, November 2020).

In addition, as a result of the groundwork that was laid in 2020, early in 2021 the Foundation received a generous Adapt and Thrive grant from the Scottish government to help fund rebranding and upgrading the website and other IT capacities. It also received a sizable funds match from The Hunter Foundation for donations made during the Kiltwalk in April.

Full details of income raised from our fundraising and philanthropy efforts in the period can be found in the Financial Review section of this report.

Support and appreciation from our donors

"This is just a small offering to thank you for your faithfulness in sending Eileen Caddy's guidance weekly and for all the help your resources have been to me during the pandemic. I am a nurse and the ability to return to the spiritual grounding that Findhorn is offering me has been so supportive – thank you."

"I would have never imagined that it is possible to connect so close and deeply to the 'Findhorn family' all around the world via the internet. Now I know better!"

"Findhorn has a special place in my heart. I hold you all up with praise, love and hope. Thank you for all you do to make the world a more loving conscious place for us all." *Jane Goodwin, Kiltwalk donor*

The Phoenix rising

The long-held vision to complete the Universal Hall terrace served as a fundraiser for the Foundation. The Phoenix mosaic was unveiled on the Universal Hall terrace on 17 November 2020. Regional press covered the event and a number of community and Foundation members attended.

Project manager and long-term community member, Caroline Shaw, who helped to build the Hall, held the vision for the cafe terrace to be completed for the last 38 years. She partnered with our assets manager Alessandro Daboni to complete the project during the quiet period of lockdown. We are grateful to the 50 people from the community, the Foundation and artisans and crafts people who contributed their time and talent to create the mosaic over a six-month period. Almost all contributors were volunteers from the community.

Finance Steward Update

Dear Friends,

I want to begin this update with my deepest expression of gratitude for all those who have supported the Findhorn Foundation through their love and financial generosity throughout the most challenging period that the Foundation has probably ever experienced. Many charities and organisations have failed through this period and without you the Foundation could have faced existential financial challenges. The response to the fundraising campaign that was run from September 2020 to January 2021 provided the Foundation with the funds it needed to survive, and the opportunity to emerge from the current crisis, manifesting in a new form. Looking to the future, the Foundation will continue to need the financial support of those who feel called as we rebuild the Foundation's educational programmes and invest in restoring buildings.

Referring to the Charity Statement of Financial Activities, it is notable that whilst income from charitable activities (mostly running programmes) dropped from £1,744,799 the previous year to just £276,456 during the year to 31 January 2021, receipts of £1,587,898 from grants, donations and legacies almost matched this drop in income. This figure represents £768,508 of donations from supporters, £313,256 from Government grants and a legacy of £506,134.

The legacy needs some explanation. Accounting rules dictate that where there is certainty of entitlement and value on the final day of the financial year, a legacy has to be included in income for that year regardless of whether or not it has been received. The legacy was not received until 25 September 2021. Inclusion of this legacy in the year to 31 January 2021 has resulted in a surplus of income over expenditure of £132,974. If the legacy had not been included the Foundation would have recorded a deficit of expenditure over income of £373,160.

Turning to charitable expenditure, whilst charitable income dropped dramatically there was not a corresponding drop in expenditure. Staff costs represent over £1m of the £1.8m expenditure on charitable activities. During the first half of the year to 31 January 2021 there was the sincere hope that the impact of the pandemic would be resolved fairly quickly and that the Foundation could return to 'business as usual'. However, by Autumn 2020 it became clear that this would not be the case and the Trustees made the decision to suspend core programmes and activities throughout 2021. As I alluded to in my report last year tough choices had to be made. The Steward Circle identified the roles that were needed to maintain the basic functions of the Foundation and commenced a process of redundancy for all other roles, including two Steward Circle roles. The process resulted initially in higher staff costs as redundancy and notice payments were made. The final redundancy was made in June 2021. Apart from fundraising costs, all other areas of expenditure fell during the year.

In addition to the Charity Statement of Financial Activities, the Group Statement of Financial Activities sets out income and expenditure of the combined activities of the Findhorn Foundation and its trading subsidiary New Findhorn Directions Ltd (NFD). The figure for donations and legacies has been impacted significantly by the receipt into NFD of grants of £434,011 to build affordable accommodation known as Silvertrees and referred to in these accounts as Project A. Silvertrees was successfully completed in July 2021 and provides eight affordable accommodation units in The Park. From a trading perspective NFD recorded a small trading profit, testimony to the tenacity, hard work and dedication of the NFD team, given the restrictions on activities during the

summer of 2020. I am pleased to report that the Findhorn Bay Holiday Park has been full for most of the summer of 2021, and NFD is expected to trade profitably during the year to January 2022.

It would be impossible to write this report without referring to the fires that took place in April 2021 when the Foundation suffered a catastrophic loss of the Community Centre and Sanctuary to an act of wilful fire-raising. The outpouring of love and support following this shocking event has been incredible and I am deeply grateful for those who have come alongside with financial support. In September 2021 an undiscounted insurance pay out was agreed with the Foundation's insurers for £1m. The Trustees expect to allocate a significant proportion of this settlement to the rebuilding of a Community Centre.

I want to take this opportunity to thank the Finance Committee, a committee of Stewards and Trustees chaired by Mark Anderson, that meets monthly and provides support and oversight and is a vital part of the financial governance of the Foundation.

Simon Stedman
Finance Steward

Financial Review

As mentioned above, the Financial Statements included in this Annual Report are consolidated accounts of the Findhorn Foundation and New Findhorn Directions Ltd, a wholly owned trading subsidiary. Very close collaboration between the two entities continued during the year with three members of the Steward Circle and a Trustee being on the Board of Directors.

The trading company was impacted by the pandemic with the holiday park being closed for many months of the available season. Nevertheless, in the brief period that bookings were permitted, it benefited from 'staycations', the reduction in the VAT rate to 5% for the hospitality sector, specific local authority grants to support the leisure industry and furlough grants. Compared to the previous year, whilst turnover fell from £673k to £646k, other operating income, interest and similar income rose from £58k to £104k. Total expenditure fell from £750k to £738k. The company recorded a trading profit of £13k compared to a trading loss of £19k in the previous year, and reserves increased from £455k to £463k.

As explained above the charity suffered a huge reduction in income from education income, and a corresponding increase in support from donations, grants and a legacy. The charity therefore recorded a surplus of income over expenditure of £125k (2020: deficit of expenditure over income of £64k).

On a consolidated basis the group recorded income of £3.1m (2020: £2.8m), expenditure of £2.5m (2020: £2.8m) and a surplus of income over expenditure before tax of £572k (2020: deficit of expenditure over income of £55k). The consolidated net worth of the group therefore increased from £5.02m to £5.59m as at 31st January 2021.

Under the Charities Statement of Recommended Practice (SORP FRS102), the Charities Trustees are required to record the financial impact of significant events in the current year. As notified to OSCR in September 2020, the loss of residential educational fee income as a result of the pandemic remains a significant event. We are diversifying charitable income sources and

activities, including fundraising for charitable purposes and developing a mix of online and in-person educational offerings for the post-pandemic period.

The April 2021 loss to fire of two of the buildings endowed to the Foundation by the community in 1972 – the Community Centre and Main Sanctuary – was a difficult event for us and the wider community. From a near-term perspective, the loss of these buildings is not having a significant impact on the finances of the Foundation given that there have only been a very limited number of guest programmes run as the 2021 lockdown eases.

By making use of the commercial kitchen at Cluny in Forres for food preparation, we have been able to put temporary facilities in place in the Park which has been sufficient as we reopen post-pandemic and should be sufficient until at least spring 2022. We intend to put additional temporary facilities in place, if required, for spring and summer 2022. Work is already underway to plan for permanent facilities, but the timeframe for completion of permanent facilities is not yet known.

The receipts of the legacy and insurance pay out in the autumn of 2021 have significantly eased winter cash flow concerns, albeit that designations have been made for rebuilding in due course.

Reserves policy

The Foundation's Financial Reserves Policy calls for sufficient cash to be available from bank deposits and/or overdraft to cover the fixed element of four months' operational expenditure excluding depreciation. The policy was adopted by the Trustees in May 2011 and is reviewed at regular intervals, in relation to perceived risks to the Foundation.

During the year to 31 January 2021 the Foundation operated at some points below its Reserves Policy. Detailed and regular cash flow analysis and reporting to the Finance Committee of the Board of Trustees enabled the Trustees to monitor the situation closely. However, with the successful fundraising appeal carried out towards the end of the year, a successful Kiltwalk appeal in April 2021, the receipt of the legacy and the insurance pay out, the Foundation has the resources not only to cover fixed costs but also to invest in people and buildings which will be absolutely essential to the future development and success of the Foundation.

See also the going concern disclosure at note 1.2, highlighting that taking all matters into consideration, the trustees are satisfied that the going concern basis remains appropriate, looking at least 12 months ahead from the approval of the financial statements.

Reserves

The amount and purpose of the reserves are set out in note 25. Restricted funds represent donations received where the donor specifies the use of the funding. All other reserves are held in order to further the general aims of the Findhorn Foundation as described above.

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 13 May 2013, and is registered and regulated by the Office of the Scottish Charity Regulator.

Transition to a SCIO

In February 2021, following research and discussions over the previous two years, a working group formally began work on preparing to register a SCIO (Scottish Charitable Incorporated Organisation) and transfer all operations and assets of the Foundation to this SCIO. This is a significant piece of work given the complexity of the Foundation's activities and assets, but trustees believe that the more modern legal form of a SCIO will help the Foundation better achieve its purpose in the future. It is intended that the SCIO will have the same charitable objectives as the Foundation and to submit an application to establish the SCIO before the end of 2021.

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 coworkers. Trustees normally tend to serve two four-year terms, and 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, Lead Steward, relevant Managers and with others within the organisation.

Organisational structure

The Board of Trustees has overall responsibility for managing the charity and appoints the Lead Steward in consultation with the Stewards' Circle and coworkers. The Board meets in person at least twice a year, which includes extended time with the Stewards' Circle. The Board has tended to meet monthly by video. During the pandemic, given the fast changing circumstances, this has increased to twice monthly or more. A structure of Board-chaired committees has developed to support the oversight and delivery of the purpose of the Findhorn Foundation. Finance, HR, Education and Assets Development Committees exist at present and have regular video meetings. Further informal meetings are arranged if deemed necessary. The Finance Committee meets at least four times annually and has met roughly monthly since March 2020 due to the Covid-19 crisis.

Responsibility for the day-to-day running of the Findhorn Foundation is delegated to the Stewards' Circle. 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.

Redundancies

In the 2020/21 period we had to respond rapidly to an ever-evolving situation and break through decades-long ways of decision making to crisis, which forced us to make immediate and far-reaching structural and staffing decisions. At the end of October 2020, we came to the decision that the charity needed to restructure (initially due to identifying, in August, the need to hibernate Cluny). After deciding in October to suspend core programming for 2021, we started a structured collective consultation process with coworkers. Three representatives were elected by the coworkers to discuss the possibilities with the Stewards and a representative on behalf of the Trustees.

With 40 redundancies, plus retirement and resignations, staff numbers were reduced from 103 to 56. Our Human Resources and Spiritual and Personal Development departments worked together to ensure that every coworker who received a notification of potential redundancy was supported both practically and emotionally by both departments.

We have had to reassess how we recruit staff into the organisation and, while this process is ongoing, we have taken interim steps to recruit specialists either as staff or contractors to build resilience and responsiveness into the organisation. Moving forward, we recognise the need to sustain a new level of operational, strategic, and managerial skills within the organisation.

Remuneration

At the end of the 2020/21 financial year, the Foundation employed 56 staff (full time & part time), of which 25 were residential and 31 non-residential. Non-residential staff received between £9.16/hr (25p/hour above National Living Wage) and £11.17/hr. Residential staff received what is deemed equivalent to this in food, lodging and a stipend of £280/month. In October 2021, Trustees approved a proposal to raise the minimum rate to £9.75/hr (25p/hr above the 2021 Real Living Wage), and to give all residential staff the option to be paid at the non-residential rate and to rent accommodation from the Foundation. The ratio between the lowest and the highest paid employee of the Foundation is currently about 1 to 1.2.

Principal risks, challenges, and uncertainties

The Stewards' Circle maintains a register of risks which is reviewed quarterly by the Finance Committee, and annually by trustees. Individual risks are monitored more frequently if the likelihood or potential impact of a risk merits closer attention.

The biggest risk currently faced by the Foundation is insufficient income to cover ongoing expenses as a result of the impact of the Covid-19 pandemic.

Since the start of the UK pandemic related restrictions in March 2020, the Foundation has faced the unprecedented situation of having almost none of its normal income from residential courses – which previously accounted for about 80% of normal annual income. Although a few on-site educational programmes have been running since July 2021, course income is still far below what it was before the pandemic.

Significant cost reduction measures in 2020 and early 2021, combined with significant investment in our fundraising capabilities, has reduced the impact of this loss of educational income. However, there is still considerable uncertainty around the extent to which education income will recover to pre-pandemic levels in the coming year, in particular from:

1. uncertainty about what public health restrictions will be in place for the remainder of 2021, and in 2022 and beyond.
2. the extent to which the Foundation's traditional beneficiaries will visit and book educational programmes in 2022.

While the Foundation has no direct control on these uncertainties, our evolving strategy to focus on local and non-residential on-site programmes combined with development of online activities will help to mitigate the potential impact of these uncertainties. Our evolving education activities will require new staff and there is also uncertainty around the timing of recruitment of people with suitable skills and experience.

Although Trustees and Stewards remain optimistic about the opportunities for and value of the Foundation in the future, managing the Foundation's finances through these uncertainties continues to be our single biggest challenge at this time.

Findhorn Foundation Trustees

Kathy Tyler, Chair of Trustees

Our current Chair of Trustees, Kathy is an international author and transformational trainer. She is co-founder of InnerLinks Associates with offices in the UK, Brazil and USA. Kathy is the co-author of the original Angel® Cards first published in 1982 and the Transformation Game®. She continues to dedicate her life in service to the awakening of humanity through individual transformation. She has been engaged with the collective evolution of the Findhorn Foundation community since 1978 and has recently returned to live in the community.

Roger Collis

Roger was a member of the Findhorn community in the early 1970s and has maintained close links with the Foundation and the Isle of Iona. After he moved to the USA in 1974, he became co-founder of the Lorian Association. He now lives in Southern California and is a consultant to several non-profit and spiritual organisations. In 1988 he started Pacifica International, initiating cross-cultural programmes in Russia, China, Ukraine and South Africa. He was an appointee to the Governor of Washington State, USA coordinating public/private partnerships for economic sustainability. He has developed environmental clean-up solutions for the US Department of Energy nuclear waste programme and co-founded two technology startups.

Paul Dickinson

Paul is a corporate communications consultant and Executive Chairman of CDP, which runs an independent global environmental disclosure system operating in 80 countries around the world. Paul's ambition with CDP is a global economic system that operates within sustainable environmental boundaries and prevents climate change. CDP represents over 650 investors and it uses this authority, combined with the buying power of over 115 large corporations with annual purchases of over \$3.5 trillion, to persuade over 8,400 large companies to report on how they impact the climate.

Mark Anderson

Mark first came to the Foundation in 1990 while at university and it has been his spiritual home ever since. While studying for his MBA at MIT, he co-founded US-based non-profit Net Impact, and on returning to the UK was founder of two high-tech start-ups in London. He moved to Findhorn in 2008 and also serves on the boards of Phoenix Findhorn CIC and Crossing Borders Education.

Nicola Coombe

As a social worker, Nicola worked within domestic, social, and political transformation in South Africa and the UK. Moving into transformational education, Nicola became a programme director of the Graduate School of Business in Cape Town and later a management consultant immersed

in leadership development in SA's new democracy. In the roles of Seminary Leader and then CEO, Nicola led the OneSpirit Interfaith Foundation UK for a decade until 2017 and continues to teach within the school. Nicola also works as an executive leadership coach. Nicola joined the Findhorn Foundation for three years in the early 2000s, working on the management team in education strategy and training as an interfaith minister.

Francine Rietberg

A long-term staff member of the Foundation, Francine first visited the Findhorn Foundation in 1980. Originally from the Netherlands, she has lived in the community since 1998 and has held a number of roles in the Foundation. She is also active in the local area where, among other functions, she has served as a Councillor on the local Forres Community Council and as a member of the Findhorn Ecovillage-based Community Change Working Group.

Helen Wildsmith

A pioneering advocate for responsible investment and climate action, Helen is a Stewardship Director focusing on climate change at CCLA (Churches, Charities and Local Authorities Investment Management Limited). Helen was awarded the prestigious 2020 Joan Bavaria Award for Building Sustainability into the Capital Markets. She engages with investee companies to encourage them to manage the risks and opportunities associated with the low carbon transition. A Graduate of the London School of Economics, she is co-chair of the Institutional Investors Group on Climate Change's resolutions group and strategic advisor to CDP, as well as being actively engaged in our Findhorn International Centre of Sustainability initiative.

Stewards' Circle

The senior managers of the Foundation are known as Stewards, and the management team is known as the Stewards' Circle.

Caroline Matters, Lead Steward

Caroline Matters is trained in Gestalt psychotherapy and as a Gestalt practitioner in organisations. Before becoming the Lead Steward and CEO of the Findhorn Foundation in late 2018, she led the Spiritual and Personal Development Team, supporting and supervising individuals and groups within the Foundation. Prior to becoming a staff member in 2010, Caroline lived in the community and volunteered in Cluny. Before coming to Findhorn, Caroline worked for over 20 years in the public sector, in education and social services in a number of different local authorities in London and in Scotland and has held all aspects of leadership and management – operational, strategic and developmental.

Andrea Marcus, Education Steward

(Temporary appointment in March 2020, confirmed in January 2021)

Andrea has a background in further education, local government and academia, holding a Masters and a PhD from Lancaster University. She is a qualified youth and community worker and adult

education teacher. More recently she has worked in the Third Sector, delivering on funded contracts, as well as for a social housing association. Andrea first came to the Findhorn Foundation for Experience Week in October 2008. She returned in January 2009 and participated in long-term guest programmes. Later, she was seconded from education to The Findhorn College and co-managed the Findhorn Semester Programme. She left in 2011 and returned to the Foundation in October 2018 to the Building Bridges team, first as the co-focaliser of Findhorn International Centre for Sustainability (FICS) and then the Building Bridges Manager. In 2020 she took on the role of our Education Steward.

Simon Stedman, Finance Steward

Simon enjoyed a successful 30-year career in London as a finance director for a number of businesses and charities. He has 25 years of experience at Board level in SMEs (print, medical recruitment, property investment/construction and law) and has held responsibility for finance, administration, company secretarial, IT and HR. Simon is qualified as a commercial mediator with UK Mediation. Simon appeared in the 2015 Financial Times list of most influential LGBT business leaders. Simon first heard about the Findhorn Foundation in March 2019 and when he searched 'Findhorn', he landed on the page advertising the position of Finance Steward. Within weeks an epic journey from the head to the heart saw him accept the challenge.

Iris Toister, Environment Steward

Iris is qualified in and worked in hospitality management and project management for 15 years, managed her own coaching and mentoring business, and managed a small commercial real estate company for 14 years. Iris has travelled extensively and in 2008 attended her first Foundation workshop. Subsequently, she received a good grounding in the organisation by working in Cluny Home Care, Park Garden and our Park site for almost 5 years before taking on the role of Environment Steward.

Also part of the Stewards' Circle during the 2020-21 financial year were:

- Jamie Jackson, Learning Steward (resigned October 2020)
- Judith Bone (temporary appointment from March to August 2020)
- Gabi John, Interim Service Steward (temporary appointment from April to October 2020)
- Sasha Angus, Communications Steward (resigned March 2020)
- Rossana Bonanno, Service Steward (resigned April 2020)

Statement of Trustees' Responsibilities

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

The 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. 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 27 October 2021 and signed on their behalf by



Mark Anderson, Trustee



Francine Rietberg, Trustee

Independent Auditors' Report to the Trustees of the Findhorn
Foundation for the Year Ended 31 January 2021

FINDHORN FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2021

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. 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.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FINDHORN FOUNDATION

Opinion

We have audited the financial statements of Findhorn Foundation (the 'charity') and its subsidiary (the "group") for the year ended 31 January 2021 which comprise the group statement of financial activities, the charity statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cash flows and the 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 Financial Reporting Standard 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 group and parent charity's affairs as at 31 January 2021, and the group and charity's incoming resources and application of resources 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 and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

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 group and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FINDHORN FOUNDATION

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 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
- proper accounting records have not been kept; or
- the charity's 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 statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FINDHORN FOUNDATION

Extent to which an audit is considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks identified include:

- UK GAAP
- Charities Accounts (Scotland) Regulations 2006
- The Charities and Trustee Investment (Scotland) Act 2005
- Accounts and Reporting by Charities (SORP)

We gained an understanding of how the charity is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of submitted returns, external inspections and relevant correspondence with regulatory bodies.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Discussions with management regarding fraud risks including any known or suspected instances of fraud that would be described as having a direct effect on the financial statements or charitable operations;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Procedures to confirm the existence and completeness of revenue, ensuring recognised in line with the entity's accounting policies;
- Reviewing the level of and reasoning behind the entity's procurement of legal and professional services.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material risk due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FINDHORN FOUNDATION

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee's.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient, appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



28 October 2021.

Johnston Carmichael LLP

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Chartered Accountants

Statutory Auditor

Commerce House
South Street
ELGIN
IV30 1JE

Johnston Carmichael LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

FINDHORN FOUNDATION

GROUP STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	3a	1,553,219	-	468,690	2,021,909	200,678
Charitable activities	4a	276,456	-	-	276,456	1,744,799
Other trading	7	627,271	-	-	627,271	587,146
Investments	5a	6,064	-	-	6,064	1,782
Other	6a	189,225	-	-	189,225	228,051
Total income		<u>2,652,235</u>	<u>-</u>	<u>468,690</u>	<u>3,120,925</u>	<u>2,762,456</u>
Expenditure on:						
Raising funds – charity costs	8	60,379	-	-	60,379	9,993
Charitable activities	9a	1,737,512	15,261	-	1,752,773	2,196,382
Raising funds - trading activities	7	711,457	-	-	711,457	719,760
Other	13a	24,390	-	-	24,390	(109,092)
Total expenditure		<u>2,533,738</u>	<u>15,261</u>	<u>-</u>	<u>2,548,999</u>	<u>2,813,371</u>
Net income/(expenditure)		<u>118,497</u>	<u>(15,261)</u>	<u>468,690</u>	<u>571,926</u>	<u>(54,587)</u>
Tax expense		(4,941)	-	-	(4,941)	3,672
Net income/(expenditure) before transfers		<u>113,556</u>	<u>(15,261)</u>	<u>468,690</u>	<u>566,985</u>	<u>(50,915)</u>
Gross transfers between funds		<u>100,028</u>	<u>(100,028)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>213,584</u>	<u>(115,289)</u>	<u>468,690</u>	<u>566,985</u>	<u>(50,915)</u>
Fund balances at 1 February 2020		<u>4,648,393</u>	<u>305,164</u>	<u>64,673</u>	<u>5,018,230</u>	<u>5,069,145</u>
Fund balances at 31 January 2021		<u>4,861,977</u>	<u>189,875</u>	<u>533,363</u>	<u>5,585,215</u>	<u>5,018,230</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

FINDHORN FOUNDATION

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Investment revaluation reserve £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3b	1,553,219	-	34,679	-	1,587,898	172,085
Charitable activities	4b	276,456	-	-	-	276,456	1,744,799
Investments	5b	41	-	-	-	41	519
Other	6b	203,920	-	-	-	203,920	250,299
Total income		2,033,636	-	34,679	-	2,068,315	2,167,702
<u>Expenditure on:</u>							
Raising funds – charity costs	8	60,379	-	-	-	60,379	9,993
Charitable activities	9b	1,855,010	15,261	-	-	1,870,271	2,339,367
Other	13b	12,702	-	-	-	12,702	(117,191)
Total expenditure		1,928,091	15,261	-	-	1,943,352	2,232,169
Net income/(expenditure)		105,545	(15,261)	34,679	-	124,963	(64,467)
Net gains/(losses) on investments	14	-	-	-	8,011	8,011	(39,498)
Net incoming/(outgoing) resources before transfers		105,545	(15,621)	34,679	8,011	132,974	(103,965)
Gross transfers between funds		100,028	(100,028)	-	-	-	-
Net movement in funds		205,573	(115,289)	34,679	8,011	132,974	(103,965)
Reconciliation of Funds							
Fund balances at 1 February 2020		4,160,265	305,164	11,623	455,350	4,932,402	5,036,367
Fund balances at 31 January 2021		4,365,838	189,875	46,302	463,361	5,065,376	4,932,402

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


FINDHORN FOUNDATION

GROUP BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	15a		5,444,776		5,282,801
Investments	16a		63,001		63,001
			<u>5,507,777</u>		<u>5,345,802</u>
Current assets					
Stocks	17		8,188		37,015
Debtors	18a		673,685		187,052
Cash at bank and in hand			765,975		412,886
			<u>1,447,848</u>		<u>636,953</u>
Creditors: amounts falling due within one year	20a		<u>(835,982)</u>		<u>(723,080)</u>
Net current assets/(liabilities)			<u>611,866</u>		<u>(86,127)</u>
Total assets less current liabilities			6,119,643		5,259,675
Creditors: amounts falling due after more than one year	21a		(496,256)		(208,214)
Provisions for liabilities	23		(38,172)		(33,231)
Net assets			<u>5,585,215</u>		<u>5,018,230</u>
The Funds of the Charity					
Restricted funds	25		533,363		64,673
Designated funds			189,875		305,164
Unrestricted funds			4,861,977		4,648,393
			<u>5,585,215</u>		<u>5,018,230</u>

The financial statements were approved by the Trustees on 27 October 2021.



Mark Anderson
Trustee



Francine Rietberg
Trustee

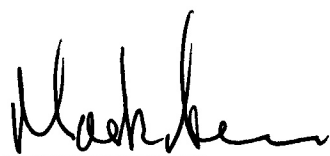
FINDHORN FOUNDATION

CHARITY BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	15b	4,521,982		4,631,922	
Investments	16b	463,361		455,350	
		<u>4,985,343</u>		<u>5,087,272</u>	
Current assets					
Stocks	17	8,188		37,015	
Debtors	18b	627,590		141,841	
Cash at bank and in hand		339,082		195,304	
		<u>974,860</u>		<u>374,160</u>	
Creditors: amounts falling due within one year	20b	<u>(691,869)</u>		<u>(465,087)</u>	
Net current assets/(liabilities)			282,991		(90,927)
Total assets less current liabilities			5,268,334		4,996,345
Creditors: amounts falling due after more than one year	21b		(202,958)		(63,943)
Net assets			<u>5,065,376</u>		<u>4,932,402</u>
The Funds of the Charity					
Restricted funds	25	46,302		11,623	
Designated funds		189,875		305,164	
Unrestricted funds		4,365,838		4,160,265	
Investment revaluation reserve		463,361		455,350	
			<u>5,065,376</u>		<u>4,932,402</u>

The financial statements were approved by the Trustees on 27 October 2021.



Mark Anderson
Trustee



Francine Rietberg
Trustee

FINDHORN FOUNDATION

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	36		234,537		153,545
Investing activities					
Purchase of tangible fixed assets		(415,554)		(925,281)	
Proceeds on disposal of tangible fixed assets		19,918		247,587	
Receipts to settle loan to investment		-		20,000	
Interest received		6,064		1,782	
Net cash used in investing activities			(389,572)		(655,912)
Financing activities					
Net repayment of borrowings		(32,529)		(43,418)	
New loans		563,881		130,000	
Finance costs		(23,228)		(39,196)	
Net cash used in financing activities			508,124		47,386
Net increase/(decrease) in cash and cash equivalents			353,089		(454,981)
Cash and cash equivalents at beginning of year			412,886		867,867
Cash and cash equivalents at end of year			<u>765,975</u>		<u>412,886</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Charity information

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.

These financial statements reflect the consolidated results of the charity and its wholly owned subsidiary, New Findhorn Directions Limited.

1.1 Accounting convention

The financial statements have been prepared in accordance with the parent charity's Articles of Association and Memorandum, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and "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)".

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The charity is a qualifying entity for the purposes of FRS 102, being a parent of a group, where publicly available consolidated financial statements are prepared, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The charity has therefore taken advantage of exemptions from the following disclosure requirements and these financial statements reflect this information for the group only:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1.2 Going concern

The trustees have prepared the financial statements on the going concern basis. The group is reporting a surplus for the financial year and continues to report a healthy net assets position at the balance sheet date in the region of £5.6 million. The Group, of which the charity is a member, is funded through a combination of secured bank loan and overdraft facilities, loans from the Foundation's co-workers and supporters, and cash generated through operating activities. The providers of the borrowing facilities continue to be fully supportive, as the trustees consider a number of alternative ways of generating income for the charity, as has been evident with the generosity of donations as part of a strategy to substantially increase the level of donations receivable.

The challenges caused by Covid-19 has resulted in a substantial reduction in charitable activities income for the charity as a result of lock-down measures and restrictions preventing workshops and conferences from being run, with core and program income currently not being generated as a result of the decision to temporarily suspend these activities until 2022. Consequently, the trustees have taken actions as required in order to reduce direct costs and stopped non-essential capital expenditure as part of their cashflow management. In addition, the Foundation has utilised government financial support, and received a third sector resilience fund grant, and continues to seek alternative income sources. The Foundation has also received funds from legacies, and subsequent to the year end, the insurance pay-out as detailed in the trustee's report.

The trustees and management have prepared cashflow forecasts through to January 2023, taking into consideration what they consider to be downside scenarios, carefully considering the overall funding requirements throughout this period. The cashflow forecasts show that the charity will have sufficient facilities available to enable all liabilities to be met as they fall due. The trustees are confident that future income will be in line with or exceed the targets included within the financial projections.

The trustees consider, after making appropriate enquiries and taking into consideration the economic outlook resulting from Covid-19, that the charity is able to adapt to any future challenges, and will have adequate resources to continue in operation, meeting all financial obligations as they fall due. Consequently, the trustees consider the going concern basis to remain appropriate.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1.4 Income

The main source of income is received from programmes, workshops and conferences run by the group. These are included within income in the year it relates. Any income received prior to the event is deferred.

Revenue grants and donations are credited to income in the year which they are receivable and when entitlement has passed to the charity.

Trading income in respect of the holiday park bookings is recognised upon receipt. Income received in advance in respect of holiday park bookings is recognised upon receipt due to the deposits being of a non-refundable nature, other than in exceptional circumstances.

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

Other income relates to income received in respect of shop sales, café sales or other miscellaneous sales which do not arise from the running of programmes and workshops. These are recorded at the point of sale and net of VAT and discounts.

1.5 Expenditure

All expenditure is included on an accruals basis, inclusive of any VAT which 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 in the Statement of Financial Activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and Buildings	2% straight line and land is not depreciated
Plant and equipment	10% - 15% reducing balance and 8% - 17% straight line
Fixtures and fittings	10% - 15% reducing balance
Tools and equipment	15% - 33% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

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

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

1.7 Fixed asset 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 measured and therefore unable to be stated at market value.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Other financial liabilities

Financial liabilities that are not recognised as basic financial liabilities are initially recognised at transaction price, and then subsequently held at fair value. The group has started to develop a portfolio of affordable housing for rental. The terms of the rental agreements differ depending on the individual circumstances, with those classified as right to occupy agreements including a requirement for the tenant to provide a loan to the group. In return for the loan, the tenant receives a discounted rent and a variable return on the loan which is linked to the movements on the open market value of the property being let. The amount repayable to the tenant under the right to occupy agreements may exceed the advance or decrease depending on the movement in the property value. Subject to the specific terms and conditions, these arrangements are considered to reflect a complex financial instrument and thus are carried at fair value at each balance sheet date. All future rental income will be accounted for at fair value, with the recognition of a finance cost in respect of any discount applied to the rent payable by the tenant

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The Charity contributes to employees' personal pension schemes, and the contributions are charged to the Statement of Financial Activities as they fall due.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation – useful life and residual value of tangible fixed assets

The depreciation of tangible fixed assets is a key area of estimation. The useful life and residual value of fixed assets is considered, and a depreciation rate applied accordingly. Details of the depreciation policies applied can be found in the accounting policies section of the notes to the financial statements. The depreciation charge for the group for the year amounts to £232,310 (2020 - £233,512) and the carrying value of fixed assets at the year-end amounts to £5,444,776 (2020 - £5,282,801).

Fair value of complex financial instruments

As noted at accounting policy note 1.11, the group is developing a portfolio of affordable housing for rental. The terms of the right to occupy agreements include a requirement for the tenant to provide a loan to the group. In return for the loan, the tenant receives a discounted rent and a variable return on the loan which is linked to the movements on the open market value of the property being let. Initially the assessment of the terms of these arrangements to determine whether they are a basic or complex financial instrument has required the exercise of judgement. In addition, the assessment by the directors to determine the fair value of the financial liability also requires judgement and includes estimation uncertainty.

3a Donations and legacies - Group

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	1,553,219	-	1,553,219	119,528
Grant income	-	468,690	468,690	81,150
	<u>1,553,219</u>	<u>468,690</u>	<u>2,021,909</u>	<u>200,678</u>
For the year ended 31 January 2020				
Donations and gifts	119,528	-		119,528
Grant income	-	81,150		81,150
	<u>119,528</u>	<u>81,150</u>		<u>200,678</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

3b Donations and legacies - Charity

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	744,568	23,940	768,508	143,985
Grant income	302,517	10,739	313,256	28,100
Legacies receivable	506,134	-	506,134	-
	<u>1,553,219</u>	<u>34,679</u>	<u>1,587,898</u>	<u>172,085</u>
For the year ended 31 January 2020				
Donations and gifts	143,985	-		143,361
Grant income	-	28,100		28,100
	<u>143,361</u>	<u>28,100</u>		<u>172,085</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

4a Charitable activities – Group

	2021 £	2020 £
Core programme course income	17,416	445,366
Workshop course income	14,738	357,176
Long term income programme	19,745	188,268
Conferences and events income	875	238,111
Other learning income	223,682	515,878
	<u>276,456</u>	<u>1,744,799</u>
Analysis by fund		
Unrestricted funds	<u>276,456</u>	
For the year ended 31 January 2020		
Unrestricted funds		<u>1,744,799</u>

4b Charitable activities – Charity

	2021 £	2020 £
Core programme course income	17,416	445,366
Workshop course income	14,738	357,176
Long term income programme	19,745	188,268
Conferences and events income	875	238,111
Other learning income	223,682	515,878
	<u>276,456</u>	<u>1,744,799</u>
Analysis by fund		
Unrestricted funds	<u>276,456</u>	
For the year ended 31 January 2019		
Unrestricted funds		<u>1,744,799</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

5a Investments - Group

	Unrestricted funds	Total 2021	Total 2020
	£	£	£
Interest receivable	6,064	6,064	1,782

All interest received in the current and prior year is unrestricted in nature.

5b Investments - Charity

	Unrestricted funds	Total 2021	Total 2020
	£	£	£
Interest receivable	41	41	519

All interest received in the current and prior year is unrestricted in nature.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

6a Other income - Group

	2021 £	2020 £
Sundry income	107,836	124,223
Rental income	81,389	103,828
	<u>189,225</u>	<u>228,051</u>

All other income received in the current and prior year is unrestricted in nature.

6b Other income - Charity

	2021 £	2020 £
Sundry income	107,836	124,223
Rental income	96,084	126,076
	<u>203,920</u>	<u>250,299</u>

All other income received in the current and prior year is unrestricted in nature.

7 Raising funds - trading income and expenditure of subsidiary

Group	2021 £	2020 £
Income (net of consolidation adjustments)		
Sales	<u>627,271</u>	<u>587,146</u>
Expenditure (net of consolidation adjustments)		
Cost of sales	296,815	257,442
Administration expenses	414,642	462,318
	<u>711,457</u>	<u>719,760</u>

Trading income and expenditure of the subsidiary in the prior year was unrestricted in nature.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

8 Raising funds – charity costs – Group and charity

	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	60,379	9,993

All fundraising costs incurred in the current and prior year is unrestricted in nature.

9a Charitable activities - Group

	2021	2020
	£	£
Staff costs	1,020,136	954,369
Depreciation and impairment	171,077	175,675
Direct programme costs	47,725	183,481
Shop costs	2,396	7,516
Rent, fuel and maintenance	240,609	315,626
Food and domestic	83,867	251,933
Marketing	19,612	21,602
IT and office expenses	43,444	52,604
Project expenses	14,459	51,366
Other expenditure	93,788	104,040
Project expenses	-	63,756
	<u>1,737,113</u>	<u>2,181,968</u>
Share of governance costs (see note 10)	15,660	14,414
	<u>1,752,773</u>	<u>2,196,382</u>
Analysis by fund		
Unrestricted funds	1,737,512	2,034,454
Designated funds	15,261	138,604
Restricted funds	-	23,324
	<u>1,752,773</u>	<u>2,196,382</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

9b Charitable activities – Charity

	2021 £	2020 £
Staff costs	1,020,136	954,369
Depreciation and impairment	171,077	175,675
Direct programme costs	47,725	183,481
Shop costs	2,396	7,516
Rent, fuel and maintenance	358,107	458,611
Food and domestic	83,867	251,933
Marketing	19,612	21,602
IT and office expenses	43,444	52,604
Development fund expenses	14,459	51,366
Other expenditure	93,788	104,040
Project expenses	-	63,756
	<u>1,854,611</u>	<u>2,324,953</u>
Share of governance costs (see note 10)	15,660	14,414
	<u>1,870,271</u>	<u>2,339,367</u>
Analysis by fund		
Unrestricted funds	1,855,010	2,177,439
Designated funds	15,261	138,604
Restricted funds	-	23,324
	<u>1,870,271</u>	<u>2,339,367</u>

10 Support costs – Group and charity

	Governance costs £	2021 £	2020 £
Audit fees	12,660	12,660	9,975
Accountancy	3,000	3,000	4,439
	<u>15,660</u>	<u>15,660</u>	<u>14,414</u>
Analysed between Charitable activities	<u>15,660</u>	<u>15,660</u>	<u>14,414</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

11 Trustees

Francine Rietberg, a trustee of the Foundation, is also an employee of the charity and, in accordance with provisions under the trust deed, received a salary of £11,576 (2020 - £5,108) for the services she provided as an employee during the year.

12 Employees

Number of employees

The average monthly number employees during the year was:

	2021 Number	2020 Number
Group		
Staff allowance	42	51
Salaried	67	78
	<u>109</u>	<u>129</u>
Charity		
Staff allowance	42	51
Salaried	52	61
	<u>94</u>	<u>112</u>

Employment costs - Group

	2021 £	2020 £
Wages and salaries	1,180,240	1,138,688
Social security costs	47,195	38,349
Other pension costs	10,632	8,962
	<u>1,238,067</u>	<u>1,185,999</u>

Employment costs - Charity

	2021 £	2020 £
Wages and salaries	977,747	923,933
Social security costs	34,498	23,935
Other pension costs	7,891	6,501
	<u>1,020,136</u>	<u>954,369</u>

No employee received remuneration of more than £60,000 in either the current or prior year.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

13a Other expenses - Group

	2021 £	2020 £
Net loss/(gain) on disposal of tangible fixed assets	1,162	(148,288)
Financing costs	23,228	39,196
	<u>24,390</u>	<u>(109,092)</u>

All other expenses in the current and prior year were unrestricted in nature.

13b Other expenses – Charity

	2021 £	2020 £
Net loss/(gain) on disposal of tangible fixed assets	1,162	(148,288)
Financing costs	11,540	31,097
	<u>12,702</u>	<u>(117,191)</u>

All other expenses in the current and prior year were unrestricted in nature.

14 Net gains/(losses) on investments - Charity

	2021 £	2020 £
Revaluation of investments	<u>8,011</u>	<u>(39,498)</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

15a Tangible fixed assets - Group

	Land and Buildings £	Plant and equipment £	Fixtures and fittings £	Equipment £	Motor vehicles £	Assets Under Construction £	Total £
Cost							
At 1 February 2020	5,471,902	1,346,653	324,542	444,905	76,606	202,782	7,867,390
Additions	22,874	36,489	-	13,981	16,113	326,097	415,554
Disposals	-	(21,400)	-	(3,399)	(8,550)	-	(33,349)
At 31 January 2021	5,494,776	1,361,742	324,542	455,487	84,169	528,879	8,249,595
Depreciation and impairment							
At 1 February 2020	1,229,031	912,125	148,394	248,003	47,036	-	2,584,589
Depreciation charged in the year	97,223	66,568	23,370	33,817	11,332	-	232,310
Eliminated in respect of disposals	-	(3,210)	-	(1,407)	(7,463)	-	(12,080)
At 31 January 2021	1,326,254	975,483	171,764	280,413	50,905	-	2,804,819
Carrying amount							
At 31 January 2021	4,168,522	386,259	152,778	175,074	33,264	528,879	5,444,776
At 31 January 2020	4,242,871	434,528	176,148	196,902	29,570	202,782	5,282,801

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

15b Tangible fixed assets - Charity

	Land and Buildings £	Plant and equipment £	Fixtures and fittings £	Tools and Motor vehicles equipment £	£	Total £
Cost						
At 1 February 2020	5,085,259	500,705	206,974	422,572	76,606	6,292,116
Additions	22,874	11,247	-	13,981	16,113	64,215
Disposals	-	-	-	(3,399)	(8,550)	(11,949)
At 31 January 2021	5,108,133	511,952	206,974	433,154	84,169	6,344,382
Depreciation and impairment						
At 1 February 2020	1,082,998	222,435	84,768	222,957	47,036	1,660,194
Depreciation charged in the year	91,894	20,813	14,430	32,607	11,332	171,076
Eliminated in respect of disposals	-	-	-	(1,407)	(7,463)	(8,870)
At 31 January 2021	1,174,892	243,248	99,198	254,157	50,905	1,822,400
Carrying amount						
At 31 January 2021	3,933,241	268,704	107,776	178,997	33,264	4,521,982
At 31 January 2020	4,002,261	278,270	122,206	199,615	29,570	4,631,922

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

16a Fixed asset investments – Group

	Investments
Cost	
At 1 February 2020 and 31 January 2021	63,001
	<hr/>
Carrying amount	
At 31 January 2021	63,001
	<hr/>
At 31 January 2020	63,001
	<hr/>

The group holds investments in unlisted entities Phoenix Findhorn CIC, Duneland Limited and Findhorn Wind Park Limited.

16b Fixed asset investments – Charity

	Investment in subsidiary
Valuation	
At 1 February 2020	455,350
Valuation changes	8,011
	<hr/>
At 31 January 2021	463,361
	<hr/>
Carrying amount	
At 31 January 2021	463,361
	<hr/>
At 31 January 2020	455,350
	<hr/>

		2021	2020
	Notes	£	£
Other investments comprise:			
Investments in subsidiaries	34	463,361	455,350
		<hr/>	<hr/>

17 Stocks – Group and charity

	2021	2020
	£	£
Raw materials and consumables	8,188	37,015
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

18a Debtors - Group

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	49,606	70,923
Other debtors	550,013	42,516
Prepayments and accrued income	74,066	73,613
	<u>673,685</u>	<u>187,052</u>

18b Debtors - Charity

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	14,489	28,053
Amounts due from subsidiary undertakings	-	11,291
Other debtors	539,035	28,884
Prepayments and accrued income	74,066	73,613
	<u>627,590</u>	<u>141,841</u>

19a Loans and overdrafts - Group

	2021	2020
	£	£
Bank loans	163,880	78,695
Other loans	395,731	164,310
Savings and loan schemes	440,532	225,786
	<u>1,000,143</u>	<u>468,791</u>
Payable within one year	503,887	260,577
Payable after one year	496,256	208,214

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 Bank of Scotland loan is repayable in 60 monthly instalments starting from 13 months from the drawdown date. The last instalment is due in June 2026. Interest is charged at 2.5% per annum with the first 12 months being covered by the UK Government's Business Interruption Payment. The loan is not secured.

The other loans relate to loans from Ekopia which are secured by an unregistered security over the property of Traigh Bhan, Iona. The loans are also secured over one of the properties being developed within investment properties and also over one accommodation unit with a market value of at least £60,000. It has an interest rate of 4.98%. Repayments are made monthly.

Saving and loan schemes relate to money borrowed from the Foundation's co-workers and supporters to assist in the financing of the 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. As of 1st February 2021, the savings and loan scheme became the loan programme.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

19b Loans and overdrafts - Charity

	2021 £	2020 £
Bank loans	113,880	78,695
Other loans and savings and loan scheme	551,652	225,786
	<u>665,532</u>	<u>304,481</u>
Payable within one year	462,574	240,538
Payable after one year	<u>202,958</u>	<u>63,943</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 Bank of Scotland loan is repayable in 60 monthly instalments starting from 13 months from the drawdown date. The last instalment is due in June 2026. Interest is charged at 2.5% per annum with the first 12 months being covered by the UK Government's Business Interruption Payment. The loan is not secured.

Other loans consist of saving schemes which relates to money borrowed from the Foundation's co-workers and supporters to assist in the financing of the 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. As of 1st February 2021, the savings and loan scheme became the loan programme.

20a Creditors: amounts falling due within one year - Group

	Notes	2021 £	2020 £
Bank loans	19a	28,709	14,752
Other loans	19a	34,646	20,039
Other borrowings	19a	440,532	225,786
Other taxation and social security		16,462	2,686
Deferred income	22	57,689	78,158
Trade creditors		79,851	233,085
Other creditors		110,929	81,848
Accruals		67,164	66,726
		<u>835,982</u>	<u>723,080</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

20b Creditors: amounts falling due within one year - Charity

	Notes	2021 £	2020 £
Bank loans	19b	22,042	14,752
Other borrowings	19b	440,532	225,786
Other taxation and social security		13,527	604
Deferred income	22	57,689	78,158
Trade creditors		-	45,094
Amounts due to subsidiary undertakings		36,233	-
Other creditors		91,383	62,536
Accruals		30,463	38,157
		<u>691,869</u>	<u>465,087</u>

21a Creditors: amounts falling due after more than one year - Group

	Notes	2021 £	2020 £
Bank loans	19a	135,171	63,943
Other borrowings	19a	361,085	144,271
		<u>496,256</u>	<u>208,214</u>

21b Creditors: amounts falling due after more than one year - Charity

	Notes	2021 £	2020 £
Bank loans	19b	91,838	63,943
Other borrowings	19b	111,120	-
		<u>202,958</u>	<u>63,943</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

22 Deferred income – Group and charity

	2021 £	2020 £
Other deferred income	57,689	78,158
		£
Balance as at 1 February 2020		78,158
Amount released to income earned from charitable activities		(20,469)
Amount deferred in year		-
		<u>57,689</u>

Income is deferred where receipts have been realised for programmes and workshops which are due to occur subsequent to the year end. The income is released as the programme or workshop takes place.

23 Provisions for liabilities and charges - Group

	2021 £	2020 £
Accelerated capital allowances	38,172	33,253
Tax losses carried forward	-	(22)
	<u>38,172</u>	<u>33,231</u>

	2021 £
Movements in the year:	
Liability at 1 February 2020	33,231
Charge to profit or loss	4,941
	<u>38,172</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

24 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to income and expenditure in respect of defined contribution schemes was £10,632 (2020 - £8,962) for the group and £7,891 (2020 - £6,501) for the charity.

25a Restricted funds - Group

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 February	Movement in funds		Balance at 31 January 2021
		Income	Expenditure	
	£	£	£	£
Hygeia funding	11,623	23,940	-	35,563
Beatrice grant	-	10,739	-	10,739
Project A funding	53,050	434,011	-	487,061
	<u>64,673</u>	<u>468,690</u>	<u>-</u>	<u>533,363</u>

Restricted funds represent monies received to provide a range of targeted activities. Project A funding relates to grant funding received by New Findhorn Directions Limited towards the Silvertrees affordable housing development.

25b Restricted funds - Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 February	Movement in funds		Balance at 31 January 2021
		Income	Expenditure	
	£	£	£	£
Hygeia and Beatrice reserves	11,623	34,679	-	46,302

Restricted funds represent monies received to provide a range of targeted activities.

26 Designated funds – Group and charity

Designated funds are not split between carrying funds and are just classified as funds which the trustees have set aside for various projects.

27 Other reserves - Charity

Investments revaluation reserve

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

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

28a Analysis of net assets between funds - Group

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fund balances at 31 January 2021 are represented by:				
Tangible assets	4,957,715	-	487,061	5,444,776
Investments	63,001	-	-	63,001
Current assets/(liabilities)	375,689	189,875	46,302	611,866
Long term liabilities	(496,256)	-	-	(496,256)
Provisions	(38,172)	-	-	(38,172)
	<u>4,861,977</u>	<u>189,875</u>	<u>533,363</u>	<u>5,585,215</u>
Fund balances at 31 January 2020 are represented by:				
Tangible assets	5,282,801	-	-	5,282,801
Investments	63,001	-	-	63,001
Current assets/(liabilities)	(455,964)	305,164	64,673	(86,127)
Long term liabilities	(208,214)	-	-	(208,214)
Provisions	(33,231)	-	-	(33,231)
	<u>4,648,393</u>	<u>305,164</u>	<u>64,673</u>	<u>5,018,230</u>

28b Analysis of net assets between funds - Charity

	Unrestricted Funds	Designated Funds	Restricted Funds	Investment Revaluation Reserve	Total
	£	£	£	£	£
Fund balances at 31 January 2021 are represented by:					
Tangible assets	4,521,982	-	-	-	4,521,982
Investments	-	-	-	463,361	463,361
Current assets/(liabilities)	46,814	189,875	46,302	-	282,991
Long term liabilities	(202,958)	-	-	-	(202,958)
	<u>4,365,838</u>	<u>189,875</u>	<u>46,302</u>	<u>463,361</u>	<u>5,065,376</u>
Fund balances at 31 January 2020 are represented by:					
Tangible assets	4,631,922	-	-	-	4,631,922
Investments	-	-	-	455,350	455,350
Current assets/(liabilities)	(407,714)	305,164	11,623	-	(90,927)
Long term liabilities	(63,943)	-	-	-	(63,943)
	<u>4,160,265</u>	<u>305,164</u>	<u>11,623</u>	<u>455,350</u>	<u>4,932,402</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

29 Financial commitments, guarantees and contingent liabilities

The Findhorn Foundation has provided a letter of guarantee for Findhorn Foundation College for £50,000 (2020 - £50,000). In addition, New Findhorn Directions Limited has borrowed £50,228 (2020 - £50,228) from Ekopia Resource Exchange and this loan is guaranteed by The Findhorn Foundation.

30 Capital Commitments

The group had committed to £357,000 in respect of the acquisition of tangible assets (2020 - £598,100). This amount is not provided for in the financial statements.

31 Post balance sheet events

Subsequent to the year-end, the charity was subject to an alleged arson attack which resulted in the destruction of buildings held within fixed assets with a carrying value of £240,201 as at the year end. The charity is insured and the matter remains ongoing.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

32 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year, Findhorn Foundation made sales to its subsidiary, New Findhorn Directions Limited, of £14,695 (2020 - £22,248) and made purchases of £117,498 (2020 - £142,985). At the reporting date, Findhorn Foundation owed £36,233 (2020 - £11,291) to its subsidiary.

Included in debtors at the year-end is a balance of £nil (2020 - £15,881) relating to Findhorn College, whose board are appointed in conjunction with the Trustees and Management Group of The Findhorn Foundation. During the year, £3,717 (2020 - £71,801) of the income came from the College. Purchase invoices from the College amounted to £nil (2020 - £400) and no donations were given to the College during the year.

The Universal Hall Ltd was formed in 2009 and is an independent company that promotes artistic performances in 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 £5,461 (2020 - £26,488) to Findhorn Foundation in the year and owed Findhorn Foundation £nil (2020 - £5,420) at the reporting date.

During the year Findhorn Foundation made sales of £5,948 (2020 - £5,629) to Findhorn Wind Park Limited, an associate undertaking. These transactions were conducted at an open market value.

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

Mark Anderson – Interest free loan £100,000; Donations received of £3,630 (2020 - £nil); IT consultancy paid of £40 (2020 - £205)

Francine Rietberg – Staff allowance paid of £12,126 (2020 - £5,339); Donations received of £1,977 (2020 - £100); Travel expenses of £135 (2020 - £nil)

Helen Wildsmith – Course income received of £230 (2020 - £1,905); Donations received of £8,600 (2020 - £nil); Travel expenses of £0 (2020 - £4,340); Interest free loan £30,000 (2020 - £nil)

Kathy Tyler – Donation received of £500 (2020 - £nil); Travel expenses paid of £0 (2020 - £1,814); Consultancy fee paid of £0 (2020 - £350)

Roger Collis – Travel expenses of £0 (2020 - £1,662)

Nicola Coombe – Donations received of £5,100 (2020 - £nil); Travel expenses paid of £0 (2020 - £183)

Paul Dickinson – Donations received of £3,500 (2020 - £nil)

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

33 Ultimate controlling party

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

34 Subsidiaries - Charity

Details of the charity's subsidiaries at 31 January 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Indirect
New Findhorn Directions Limited (SC070193)	Scotland	Caravan Park	Ordinary	100.00

35 Cash generated from operating activities

	2021 £	2020 £
Net movement in funds for the year	566,985	(50,915)
Adjustments for:		
(Gain)/loss on disposal of tangible fixed assets	1,351	(148,288)
Interest income	(6,064)	(1,782)
Interest paid	23,228	39,196
Depreciation and impairment of tangible fixed assets	232,310	233,512
Tax charge	4,941	-
Movements in working capital:		
(Increase)/decrease in stocks	28,827	(4,091)
(Increase)/decrease in debtors	(486,633)	(9,787)
(Decrease)/increase in creditors	(130,408)	95,700
Cash generated from/(absorbed by) operating activities	234,537	153,545

36 Analysis of changes in net debt

	At 1 February 2020 £	Net cash flows £	At 31 January 2021 £
Cash at bank and in hand	412,886	353,089	765,975
Loans falling due within one year	(260,577)	(243,308)	(503,885)
Loans falling due after more than one year	(208,214)	(288,042)	(496,256)
	<u>(55,905)</u>	<u>(178,261)</u>	<u>(234,166)</u>

We are incredibly grateful for all your support. We depend on voluntary donations, grants, legacies and collaborative partnerships to help build a radically transformed world, where humanity embodies the Sacred and co-creates wisely and lovingly with all life.



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