



Findhorn Foundation

**Trustees' Annual Report & Financial Statements for the Financial
Period 1 February 2021 – 31 March 2022**

Scottish Charity Number SC007233

Contents

Trustees' Report	1
Statement of Trustees' Responsibilities	20
Independent Auditor's Report	21
Group Statement of Financial Activities	25
Charity Statement of Financial Activities	26
Group Balance Sheet	27
Charity Balance Sheet	28
Group Statement of Cash Flows	29
Notes to the Financial Statements	30

Findhorn Foundation Trustees' Report for the Financial Period 1 February 2021 – 31 March 2022

The Trustees present their report and the financial statements for the 14-month financial period ended 31 March 2022. 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

The Findhorn Foundation is a Charitable Trust number SC007233 registered in Scotland.

As operations continued through the remainder of 2022 and the first half of 2023, the Foundation was not able to see a sufficient return of participants and revenue, or fundamentally reduce its operating cost model. This led the Trustees to resolve in July 2023 to propose ceasing all educational operations by 1 October 2023. The Trustee's report was largely written prior to this decision and we have left it largely intact to give a clear and fair representation of the foundation on 31 March 2022 and what its hopes and plans were for the future.

On 19 August 2022 Findhorn Foundation SCIO (SC051938) was registered with OSCR to replace Findhorn Foundation (SC007233), with the intention of all assets and liabilities of Findhorn Foundation (SC007233) being transferred to Findhorn Foundation SCIO (SC051938) during 2023. In light of the decision to cease all education operations, this transfer will not proceed as originally planned. However, Trustees still hope that the spiritual and holistic education work of the Foundation will continue under Findhorn Foundation SCIO, albeit with a different operating model. Subject to appropriate approvals and regulatory oversight, Trustees hope that Findhorn Foundation SCIO will be able to begin operations in spring or summer of 2024.

During the period of this report, all references to Findhorn Foundation refer to Findhorn Foundation (SC007233), not Findhorn Foundation SCIO (SC051938). More information on the transition to Findhorn Foundation SCIO is presented on page 6.

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

Charity Secretary: Richard Tanner (appointed May 2022)

Trustees of Findhorn Foundation

- Mark Anderson (Chair, appointed 26 November 2021)
- Kathy Tyler (resigned as Chair 26 November 2021)
- Roger Collis (resigned 21 November 2022)
- Nicola Coombe
- Paul Dickinson
- Francine Rietberg
- Helen Wildsmith

Stewards' Circle

to 31 January 2022

- Caroline Matters, Lead Steward
- Simon Stedman, Finance Steward (resigned October 2021)
- Jim Simpson, Interim Finance Steward (appointed October 2021)
- Iris Toister, Environment Steward
- Andrea Marcus, Education Steward (resigned, October 2021)

Leadership Team

from 1 February 2022

- Terence Gilbey, Chief Executive (appointed 16 January 2023)
- Ann McEllin, Director of Finance and Resources (appointed April 2022)
- Shaun Vincent, Head of Philanthropy
- Caroline Matters, Lead Steward (resigned 21 November 2022)
- Jim Simpson, Interim Finance Steward (resigned April 2022)
- Lorraine Warshaw, Director of Operations & Strategy (appointed August 2022)
- Daniel Greenberg, Director of Education (appointed September 2022, resigned April 2023)
- Francine Rietberg, Interim HR lead (to April 2022)
- Judy McAllister, Interim co lead of Education (to September 2022)
- Andrew Powell, Interim co lead of Education (to September 2022)
- Alessandro Daboni, Interim Head of Assets (to September 2022)
- Wendy Richardson, Interim Head of Guest Experience (to September 2022)

Auditor

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

Bankers

- Bank of Scotland, 90 High Street, Elgin, IV30 1BJ
- Triodos Bank, 24 Hanover Street, Edinburgh, EH2 2EN

Solicitors

- Shepherd & Wedderburn LLP Solicitors 5th Floor, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL
- J&H Mitchell W.S., 51 Atholl Road, Pitlochry, Perthshire, PH16 5BU
- Collingwood Legal 30 Riverside Studios, Amethyst Road, Newcastle Business Park, Newcastle upon Tyne, NE4 7YL
- Burness Paull LLP, 120 Bothwell Street, Glasgow, G2 7JL

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

FINDHORN FOUNDATION

TRUSTEES' REPORT

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
- Work as love in action

Our sites

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 co-worker 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 produce market garden, which provides food for guests and co-workers 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.

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.

Iona

Our retreat house, Traigh Bhan, is located on the Hebridean island of Iona where we hold spiritual retreats, as well as personal retreats, organisational renewal and staff training for Foundation co-workers. (findhorn.org/iona)

Erraid

Located close to Iona, Erraid is a tiny island, which has been home to small groups of volunteers 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. (erraid.com)

FINDHORN FOUNDATION

TRUSTEES' REPORT

Foreword

Mark Anderson, Chair of Trustees

As a centre of personal and planetary transformation for over 50 years, in 2015 the Foundation embarked on its own journey of transformation by initiating an organisation-wide process of reflection and change. The first outcomes of this process were put in place during 2016, but transformational processes rarely fit into defined schedules, and eight years later we are still in a process of transformation and evolution.

Transformation is rarely easy, whether personal, organisational or planetary, all the more so when the world around us is changing. The full consequences of the Covid-19 pandemic are still emerging, and the Siren call of climate change gets louder every year. Increasing political polarisation and the terrible war in Ukraine suggests that the New Age of global stability and cooperation which was assumed by many in the late 20th Century may be further away than we thought. Like so many around the world, in Findhorn we too are struggling with change and uncertainty.

The Foundation began the 2021/22 financial period with fewer than half the number of Foundation co-workers we had the previous year – much of that reduction due to compulsory redundancies, unprecedented in our history. In April 2021, a deliberate act of arson destroyed two buildings – the Park Sanctuary and Community Centre – which were central both to the Foundation's educational work and to life in the community we are part of. As we restarted our onsite educational programmes in March 2022, it has been incredibly challenging for our reduced co-worker body to rebuild and evolve systems which had run almost continuously for more than 40 years prior to the pandemic.

In July 2023, and after much spirit-led and data-informed consideration, Trustees took the difficult decision to propose that the Foundation cease all education operations. After further consideration including a collective consultation with all co-workers, our last educational programme ended on 22 September 2023. The full text of our announcement briefing is in the following section.

This decision, though it marks the end of an era, is not the end of the spiritual community that has grown in Findhorn over 60 years – it continues to thrive. Other organisations and activities at The Park Ecovillage continue, and we hope that the Foundation's decision will provide new opportunities for other community organisations to evolve.

Trustees also hope that this will not mark the end of the Foundation's spiritual and holistic education. As described later in this report, in 2022 Trustees registered a new charity – Findhorn Foundation SCIO – and will be working over the coming months to prepare a robust plan for the new charity. Subject to appropriate approvals and regulatory oversight, we hope that the SCIO will begin operations in spring or summer of 2024.

We continue to be blessed with generosity and support – the dedication and commitment of our co-workers during these difficult times; the direct support and assistance from so many in our local community; ongoing engagement and support from our global community of Resource People, Findhorn Fellows and many more; and the significant financial support of our many donors. My heartfelt gratitude goes to all those who have contributed and continue to contribute to our work.

Lastly, I would like to extend personal thanks to three people who have been instrumental in holding and directing the Foundation in these times.

Caroline Matters, our Lead Steward (CEO) for four years, left the Foundation at the end of 2022. My deep appreciation goes to her for holding this leadership position with love, courage and incredible resilience through these most challenging of times.

In spite of the challenges he saw we were facing, Terry Gilbey, our Chief Executive, joined us in January 2023, relocating from the US with his wife, Kim. I am most grateful to the calm, compassionate commitment Terry has brought to the Foundation and for the considerable skill with which he has helped us navigate these challenges.

Kathy Tyler stepped down as our Chair last November, after three years. Her foresight ensured we began some key transformation initiatives in the relative calm before the pandemic, and her deep commitment to a higher spiritual purpose has been a north star for us all during these times. I am particularly grateful that she has agreed to remain on our board for a time, providing ever present support behind the scenes.

FINDHORN FOUNDATION

TRUSTEES' REPORT

September 2023

Stakeholder Briefing Findhorn Foundation Announcement, 26 July 2023

Introduction

Trustees and management of Findhorn Foundation have today announced that the Foundation is proposing to cease educational operations by the end of September 2023. This proposal will have a potentially significant impact on existing staffing levels and will require the Findhorn Foundation to engage in a statutory collective consultation process with any employees who are affected by these proposals. At the moment we envisage that this situation may result in around 50 staff being identified as being at risk of redundancy.

In spite of our best efforts and the dedication and hard work of our co-workers (staff), we have not been able to bring our income and expenses into balance, and our forecast losses over the coming year will be untenable.

Although we currently do not anticipate there is a viable way forward in our existing configuration and operating model, we do not see this as the end of the vision and mission of the Findhorn Foundation. We hope that after reviewing and restructuring education activities, we can emerge with a new way forward which will be both financially viable and have significant impact and public benefit in the world.

We are aware that this news may bring sadness and shock given the iconic place that the Foundation has held for so many people over many decades. We invite people in our local and global community to consult and collaborate with us in creating a process over the coming weeks which can properly and successfully navigate these challenges, in a way which brings compassion and kindness to everyone affected by these difficult factual and financial realities, and which allows us to acknowledge and celebrate the decades of passion, hard work and achievement of the Foundation and community.

"What the caterpillar calls the end of the world, the master calls a butterfly."

– Richard Bach

Financial situation

The Foundation has faced many difficult external factors over the past few years, with Brexit impacting our non-UK co-workers, visitors and volunteers; Covid restrictions requiring us to suspend our on-site programmes for many months; the fires destroying two beloved and important community facilities and making it so much harder for us to serve guests at The Park; and most recently the huge increases in energy costs which are making it so expensive to run our many buildings.

The Foundation's financial position has been weak for many years, and this position has worsened considerably since the Covid-19 pandemic, in spite of significant and generous support from donations and grants, staff redundancies and other cost reductions, and multiple attempts to find new ways to provide our education.

We have for over 30 years sold non-core assets to enable the Foundation's work to continue in spite of financial deficits, but the scale of our recent and forecast losses means that this is no longer a viable option.

For several months the trustees have been working closely with the management team to try to find a path forward which will allow us to continue operating. Co-workers have brought an abundance of love, creativity and hard work to this effort. Unfortunately, after much consideration and deep attunement, we have to face the prospect that the Foundation is no longer financially viable in its current configuration and operating model and that the current situation requires urgent action.

FINDHORN FOUNDATION

TRUSTEES' REPORT

Continuing our work and purpose

In 2022 we registered Findhorn Foundation SCIO, a more modern and appropriate legal form for the Foundation's work (a Scottish Charitable Incorporated Organisation). While our original intent was to transition existing Foundation activities to the SCIO, trustees still hope that the spiritual and holistic education work of the Foundation will continue under Findhorn Foundation SCIO, albeit with a different operating model.

In order to do this, we will be working over the coming months to prepare a robust plan for the new charity. Subject to appropriate approvals and regulatory oversight, we hope that the SCIO will begin operations in spring or summer of 2024.

As part of this work we will also be assessing which assets will be needed by the SCIO, and which non-core assets can be released and made available to the community.

Trustees hope that after pausing our education activities and operations for six months or so, Findhorn Foundation SCIO can emerge with a new way forward which will be both financially viable and have significant public benefit and impact in the world.

Immediate Implications

The Foundation proposes to cease educational programmes after Friday 22 September, with participants receiving a full refund for payments already made. However, it is proposed that programmes up to that date will continue as currently scheduled. We will contact people with affected bookings directly next month.

Our financial position means that the majority of the roles undertaken by our co-workers are at risk of redundancy and a statutory collective consultation process as required by the provisions of the Trade Union and Labour Relations Consolidation Act 1992 ("TULRCA 1992") will begin on or around Wednesday 2nd August.

The Foundation will continue consultation and discussions with community organisations such as Park Ecovillage Trust and Ecovillage Findhorn BenCom about selling non-core assets into the community. Rental agreements and leases with the Foundation are not changed by the Foundation ceasing its educational activities, and we will keep people informed of any longer term developments arising out of these discussions.

All operations of New Findhorn Directions (NFD), the Foundation's trading subsidiary, are unaffected by this announcement, including:

- Findhorn Bay Holiday Park, which is open as usual, with no change to existing bookings or availability.
- Park utilities managed by NFD (electricity, water, sewage).
- Rental tenancies (long-let caravans and Silvertrees affordable housing) and mobile home owners' leases.

Events and activities in the Universal Hall at Findhorn are unaffected by this announcement, and the Hall's programme will remain as scheduled. The Phoenix shop and café, and other businesses at The Park will also continue trading as normal.

Timelines

All staff have been informed and a collective consultation process will start next month after the election and training of appropriate staff representatives. Drop-in sessions will be organised for staff and other stakeholders to ask questions and to let us know of any individual issues. We will work with any staff member who lives in Foundation accommodation to ease their transition out of properties that need to close and will continue to rent accommodation at The Park wherever possible.

At the moment we do not envisage that any individual notifications of redundancy will be issued before 1st September at the earliest and, unless co-workers choose to resign, they will remain employed by the Foundation until at least 1st October. Please note that these dates are provisional and any dates relating to redundancy dismissals are subject to the completion of the statutory collective consultation process.

FINDHORN FOUNDATION

TRUSTEES' REPORT

We will hold a community consultation meeting on Monday 31st July, and invite members of the community to help us to hold this process over the coming weeks in a way which reflects our collective values and traditions, as we make progress towards bringing this era of the Foundation's work to a close.

To save on the significant costs of running the Foundation's buildings, we expect that facilities which aren't going to be used over the coming months will be closed. However, we will work with community organisations to explore if any can be repurposed and used by other groups.

Throughout the autumn and winter, trustees and staff of the Foundation will be reflecting and assessing new ways forward, and we hope that Findhorn Foundation SCIO will be able to start operations in the spring or summer of next year.

Closing remarks

The Findhorn Foundation is part of a thriving spiritual community with over 60 years' heritage. In its early days there was little differentiation between Foundation and community, and people from across the world came to participate in a shared vision for a better world, and to provide a living demonstration of that vision here at The Park in Findhorn. People were inspired to volunteer, donate and work towards this vision.

Our collective story is one of many successes. The vibrant Park Ecovillage Findhorn community is known globally and continues to thrive; many world-changing organisations have been founded here and by individuals impacted by their time here; thousands of people have taken hope and inspiration from the work done here.

Our founders set out to change the world, and the world has changed in so many ways since they arrived at The Park in 1962. Many things which were pioneering in 1960's Britain, including inner listening and connection to spirit, co-creation with nature, ecological building, and planet-care are now part of mainstream discourse.

These changes have also presented challenges. As a modern charity, the Foundation can no longer operate as a community, and changes to people's expectations, laws and regulations, technology and economics mean that the ways which worked for us so wonderfully in the past are no longer viable or appropriate for the world of the 2020's and beyond.

We are not alone in these challenges. Many other centres and communities with similar histories and purposes to the Foundation have been facing the same challenges. Some are closing, some are finding new ways to operate, some are finding a new form. We will continue to seek new ways and new forms so that the underlying purpose of the Foundation can continue to be relevant, meaningful and have impact for decades to come.

We are proud of everything the Findhorn Foundation has achieved since it was set-up as a charitable trust in 1972, and grateful to everyone who has participated in this work. Whilst this is a time of sadness for everyone who holds the Foundation in their heart, we also accept that everything has its season, and sometimes answering the call of spirit requires great change. The end of the world for the caterpillar is the birth of the butterfly, and we look forward to what will emerge for the Foundation, the Park Ecovillage community and all those who share the same deeper purpose that has guided us over so many decades.

"When life asks you to change, see clearly what is needed and change without any resistance, knowing that every change is for the very best. Change is not always comfortable, especially for those people who have set ideas and ways. You must be willing to fling out one nice, comfortable well-established idea after another until you are completely free and open to receive something entirely new and revolutionary."

– Eileen Caddy

FINDHORN FOUNDATION

TRUSTEES' REPORT

A challenging year

Following a year of unprecedented change and challenge due to the Covid-19 pandemic in 2020, we began the 2021/22 financial period determined to find new ways forward. In particular, we wanted to explore new formats for our education and to broaden our reach in ways which would allow us to continue delivering public benefit whatever the future for our traditional residential programming.

We divided our priorities into four areas of work under the banner of *Taking Findhorn to the World*: refreshing our brand and vision; capturing the wisdom of our past education programmes; developing local partnerships; and shaping our online vision.

Work on these streams got off to a good start. We began a project to re-imagine and update our visual identity, a small team in our Education department began work on consolidating our education processes and wisdom and we undertook a survey of our network to assess interest in new education formats – particularly online.

The loss of two iconic community buildings

The progress of these streams of work and all our other work was significantly upset when on the night of 12 April 2021 an arson attack resulted in the loss of two iconic community buildings belonging to the Foundation – the main Park Sanctuary and the Community Centre. Although we were very fortunate that no lives were lost, these events were devastating for our entire Community not least because the Community Centre was due to reopen that week, a much needed respite after months of lockdown.

However, faced with rebuilding the Community Centre and Sanctuary, we recognised an opportunity for collaboration, creativity and for an emergence of new ways of bringing cohesion and clarity to our common future with the community in which we are placed.

In spite of the disruption and challenge from these fires, we have also been inspired to find new ways forward. We are reviewing our relationship to the Ecovillage Community in which the Foundation is based, and exploring what assets might be put to better use under the stewardship of others in the community. A new building to replace the Park Sanctuary has been designed by a community-wide process and the Foundation is coordinating an equally community-wide fundraising process to raise the funds needed for the build. We are actively exploring options for ownership of the sanctuary and are committed to it being held by a Community-led charity – to better reflect the original purpose and intent of the Sanctuary and its importance as a community resource.

We have received a steady and generous outpouring of love, appreciation and charitable financial contribution, which was particularly encouraging and supportive in the immediate aftermath of the fires. Two weeks after the fires, 45 Foundation co-workers and community members donned tartan and participated in two sponsored pilgrimages for the national Kiltwalk event. The support from around the world was phenomenal and, thanks to the generous participation of so many in our local and worldwide community, we raised a total of over £197k in unrestricted donations, including a 50% top-up from the Hunter Foundation. We are extremely grateful for these generous donations, which made a significant contribution to covering our operational costs during 2021.

In October 2021, the Foundation received £849,300 as the net proceeds (gross amount £953,841) of the settlement agreed with its insurers for the losses from the fires.

In December 2021, Trustees designated £800,000 towards the rebuilding of the Sanctuary and Community Centre to support their intent that (1) the majority of the approximately £715k of insurance proceeds remaining after clearance and additional operational costs resulting from the fires, and (2) about £85,000 of the unrestricted donations received in the immediate aftermath of the fires, would be used for the rebuilding of the Sanctuary and Community Centre.

Much of the cash from this designation was required to cover operational costs during 2022, so Trustees designated non-core property which could be sold to back this intention. In light of Trustees' July 2023 resolution and the ending of education operations, this intent and designation will be reviewed as possible plans for any holistic education work in Findhorn Foundation SCIO are clearer.

FINDHORN FOUNDATION

TRUSTEES' REPORT

We have received significant support from donors specifically for the Sanctuary rebuild. In addition to £70k Trustees have designated towards the rebuild, as of the end of September 2023 we have received donations and totalling around £236K and incurred costs of £43K leaving a balance of £193K

Exploring new ways to operate

Despite the setback of the fires, we continued during 2021 with our *Taking Findhorn to the World* project and looked at how we could best meet our charitable purpose in an emerging-from-Covid environment and where we no longer had two key facilities which had been a core part of our operations.

Supported by a successful application to the Scottish Government's *Adapt and Thrive* fund, we continued with the visual identity and branding work. This was completed in December 2021 with the completion of an updated visual identity which is better suited to digital media, a refreshed website and updated statements of purpose and vision which are on page 3 of this report.

During 2021, we also developed a successful new programme of "Lightly Held Retreats". Ongoing requirements for social distancing meant it was impossible to hold our traditional programmes, but these new retreats provided a flexible way for people to visit the Foundation and to participate in the mostly outdoor activities allowed by the regulations. We welcomed about 700 guests on these retreats during the period, which contributed about £81k income.

Our work online also continued over the summer of 2021, including the very popular livestreamed walks around Findhorn hosted by long-standing Foundation co-worker, Yvonne Cuneo.



Marianne Robbins

With an immunocompromised hubby, these last two years have been challenging, but Yvonne and her walks ALWAYS brightened my day, and were something fun and delightful to look forward to..... Much Love and Good Care, from a grateful follower in Niagara, Ontario Canada 🍀



Lorna Lees

Thank you Yvonne, Michael, Rosie and The Fellowship of Lovelies. I don't think I'd have got through the first lockdown without you taking me out of my five mile zone on a regular basis. Many words of wisdom, lessons and opportunities for reflection along the way. Beautiful experiences. xx

Welcoming participants back

As lockdown and social distancing restrictions lessened during 2021, we were able to restart some of our non-residential programmes, particularly our Cullerne Gardens based programmes.

The pandemic and the global travel restrictions have brought into sharp focus sustainable food production and food security. The Moray Food Systems and Livelihoods programme, developed in partnership with Moray Pathways and the University of the Highlands and Islands, launched at Cullerne Gardens in July 2021, providing training opportunities for employment to the eleven participants.

"It is like a different world. I am feeling peaceful and happy. I feel more confident and have a new spring in my step. Four months ago I felt anxiety and depression. Now I feel turned around 180 degrees. I am more appreciative of things. I am in a content place in my life, which I never felt in the last so many years."

– Moray Food Systems participant

FINDHORN FOUNDATION

TRUSTEES' REPORT

In August 2021 we were able to restart our Findhorn Bay Care Farm, for its sixth year. This is a day service for socially excluded and vulnerable Moray-based adults with a learning disability, autism or Aspergers.

By the end of August 2021, Covid regulations had eased to the point that we could start to hold residential programmes again. Our first in-person event since March 2020, was a 2-week Permaculture Design Course certified by the Permaculture Association.

“This course has given me more trust that humans can reintegrate into the natural world and the work we must do to achieve this.”

– *Permaculture Design Course participant*

We also restarted Findhorn International Centre for Sustainability (FICS) programmes aimed at changemakers, NGOs, activists and sustainability leaders. *Moving Beyond COP*, was an event attended by 60 business and sustainability leaders in the run-up to United Nations Climate Change Conference of the Parties (COP26) events in Glasgow. Corporate leaders and activists came together to ask each other difficult questions, learn from each other, and find ways to speed up the transition to a carbon neutral world.

“The people behind the logos

Enriched by the diversity of thought gathered and free from our daily routines and biases, we began to engage and listen. Discussions were open, honest, direct and sincere, sharing different perspectives and achieving a healthy balance of fervent encouragement with robust challenge – all in the spirit of co-creating solutions. We removed the hats of our day job, jumped in, and began to see each other for who we really are: likeminded, good people – each trying to do our part to make the world a slightly better place. And with this common goal uniting us, we persevered.”

– *Rishi Dorai, ESG Director, Strategy & Sustainability at bp*
from [LinkedIn blog](#) about *Moving Beyond COP* event

Taking the Findhorn transformative experience online

In October 2021, we were joined by Cathy Garner, our new Online Lead. Under her creative leadership, we have started to find new and successful formats for our online education, and have started to overcome the challenges of translating our powerful in-person transformative education to an online environment.

Launching our first new programmes in January 2022, Cathy and her team have hosted over 3,000 people in a range of online programmes, such as *Creating Findhorn Where You Are* and *Spirit of Iona*.

“I was deeply touched by the Celebration... I have always felt the power of nature and land, but this helped me understand that energy in a profound and new way.”

– *Spirit of Iona online participant*

“I’m loving the weekly connection. I feel it’s making a difference in my outlook and perhaps also in my approach to life too, while out here in the wide world. You who live in Findhorn proper are so very blessed, and I am exceedingly grateful for all the good work and energy that emerges from your home. My homegroup leader’s focalizing defines the word perfect. She’s another Findhorn angel.”

– *online homegroup participant*

FINDHORN FOUNDATION

TRUSTEES' REPORT

Investing in our future to make the most of our heritage

After 50 years of successfully operating as a Scottish Charity, the Findhorn Foundation has a rich history and heritage. Throughout our 50 years we have consistently inspired, transformed and delivered impact in support of our charitable purposes. However, the worldwide impacts of the Covid-19 pandemic, the ever-more pressing impacts of climate change, and ongoing financial uncertainties mean we need to make significant changes in order for us to be able to continue having broad impact and public benefit for the next 50 years.

As a charity which has very strong community roots, we have struggled over the years to attract and retain all the skills which we need to operate sustainably, efficiently and effectively. Trustees believe that in order to make the most of the considerable spiritual and educational expertise which we have built over decades, we need to build a strong organisation which has all the skills and competencies necessary to operate as a successful charity in the 2020s.

This belief has led us to take a long-term, strategic approach to how we employ people. We now pay all staff at least the UK Real Living Wage and seek to recruit from a wider range of people than in the past. In 2022 we developed a new residential volunteer programme, to hold people who wish to offer their support by engaging with us for shorter periods of time.

In addition to operational staffing changes, we are also reviewing our governance processes, and the creation of a SCIO is providing the opportunity to review and update specific policies and procedures to better reflect the governance needs of a modern charity.

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.

Related parties

New Findhorn Directions (NFD)

NFD is a wholly owned subsidiary of the Charity. It was established to undertake a number of trading activities that relate to and support the charitable purpose of the Findhorn Foundation. NFD also provides a wide range of support services to the Foundation, and across 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 Ecovillage. NFD strives to embody the guiding principles and ethos of the Findhorn Foundation in its daily work. In prior years, NFD has reinvested or chosen to donate its profits to the Foundation in whole or in part.

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.

It is important to note that the decision by the Trustees to cease educational operations of the Trust does not directly impact NFD in any way.

Findhorn College

Originally a department of the Findhorn Foundation, the College became a separate charity in 2001 to offer accredited education. Due to the Covid-19 crisis, in the summer of 2020 Findhorn College 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.

FINDHORN FOUNDATION

TRUSTEES' REPORT

In January 2022, a proposal by Findhorn College Trustees to wind up the charity was approved by its Members. After approval from OSCR, this process was completed in January 2023.

Education partners

InnerLinks

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 hosted Transformation Game events and facilitator training in partnership with InnerLinks.

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 collaborated 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 until late 2022 was based in Findhorn.

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.

FINDHORN FOUNDATION

TRUSTEES' REPORT

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 Findhorn 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.

Donors

During the 2021/22 Financial Period, 1,387 individuals and organisations provided 3,187 donations to the Foundation – amounting to 23% of our income for the period. We are extremely grateful to all these donors as well as the many people who have given their time and energy to support our work.

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

FINDHORN FOUNDATION

TRUSTEES' REPORT

Foundation events. The shows are well attended by local people 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 until mid-2021 due to pandemic related public health restrictions, but reopened in June 2021, in line with public health regulations.

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.

Financial Review

The Financial Statements included in this Annual Report are consolidated accounts of the Findhorn Foundation and New Findhorn Directions Ltd (NFD), 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 during this period.

During the 2021/22 financial period, NFD's Holiday Park had a good summer season following the lockdowns of the previous year. The Holiday Park was so busy that it was turning away business during the summer of 2021, as many people opted for 'staycations' instead of risking overseas travel. The reduction in the VAT rate to 5% for the hospitality sector, specific local authority grants to support the leisure industry and furlough grants all assisted NFD to bounce back after the difficulties of 2020. Compared to the previous year, turnover increased from £646k to £952k, and other income increased from £98k to £109k. The company recorded a trading profit of £61k compared to a trading profit of £13k in the previous year. During the period NFD also opened 'Silvertrees', a new affordable housing scheme, and this new property is the main reason that NFD's tangible assets grew by £340k in the year.

During this period, the Charity once again suffered a huge reduction in income from education compared to pre-pandemic levels, having taken the difficult decision to suspend normal programming and operations due to the ongoing uncertainty of pandemic related restrictions during 2021. Donations and legacies continued to be a significant part of the Charity's income. The receipt of almost £1 million insurance proceeds in October 2021, following the loss of the sanctuary and the community centre in April 2021, assisted the Charity cash flow, as described on page 5 of this report.

On a consolidated basis the group recorded income of £3.1m (2021: £3.1m), expenditure of £3.3m (2021: £2.5m) and a deficit of income over expenditure before tax of £137k (2021: surplus of income over expenditure of £566k). The consolidated net worth of the group therefore decreased from £5.59m to £5.5m as at 31st March 2022.

However, it is clear when looking at the true operational activity of the Foundation (financial results within the unrestricted funds), we still face significant challenges. We experienced an operating loss of £1,202,402 for the year compared to a surplus of £105,545 in the prior year. Under the Charities Statement of Recommended Practice (SORP FRS102), the Charity's Trustees are required to record the financial impact of significant events in the current period. The April 2021 loss to fire of two of the buildings - the Community Centre and Main Sanctuary - was a difficult event for us and the local community. The main impact on the financial standing of the Charity was the loss of the kitchen at the community centre, which was one of two primary sites where we provided food for programme participants, as well as being the heart of the community. By making use of the commercial kitchen at Cluny in Forres for food preparation, we were able to put temporary facilities in place in the Park which were sufficient to allow us to run a limited set of programmes at The Park in 2022 and 2023.

In November 2021, the Finance Steward Simon Stedman stepped back to take a role within the fundraising team and Jim Simpson was appointed as interim Finance Steward, until Ann McEllin was appointed as Head of Finance & Resources in April 2022. Without the vital contribution of these two crucial co-workers, the Charity would have faced major financial upheaval, and they both deserve recognition for their work.

FINDHORN FOUNDATION

TRUSTEES' REPORT

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 14 months to 31 March 2022 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.

See also the going concern disclosure at note 1.2, which confirms the Trustees decision to cease educational operations of the Charity.

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 (SC007233) 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) with the intent to transfer all operations and assets of the Foundation to this SCIO. Findhorn Foundation SCIO (SC051938) was incorporated on 19 August 2022 and is registered and regulated by the Office of the Scottish Charity Regulator.

Findhorn Foundation SCIO has the same charitable objectives as Findhorn Foundation (SC007233) and it was intended that all operations would transition to the Findhorn Foundation SCIO on 1st April 2023. However, as a result of the Foundation's financial position at the end of 2022, this transition was postponed until 2024.

In light of Trustees' decision to cease education operations in September 2023, this transition will no longer proceed as originally planned. However, Trustees hope to develop a new plan and operating model which will allow us to continue our spiritual and holistic education work in Findhorn Foundation SCIO in a manner which is both financially viable and has significant public benefit and impact in the world. Subject to appropriate approvals and regulatory oversight, we hope that the SCIO will be able to begin operations in spring or summer of 2024.

The current Trustees of the SCIO are Mark Anderson, Nicola Coombe, Francine Rietberg, Kathy Tyler, Joycelin Dawes, Barbara Vacarr, Jim Simpson.

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 Leadership Team. Trustees normally serve two four-year terms, but 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.

FINDHORN FOUNDATION

TRUSTEES' REPORT

Organisational structure

The Board of Trustees has overall responsibility for managing the Charity and appoints the Chief Executive in consultation with the Leadership Team and co-workers.

The Board meets quarterly by video conference, and in person at least once a year, which includes extended time with the Leadership Team. The Board also has regular shorter meetings by video and through most of 2023 has met fortnightly.

A number of sub-committees have been in place to support the oversight and delivery of the purpose of the Findhorn Foundation covering Finance, HR, Education, Asset, Fundraising, and Governance. As of July 2023, this oversight was consolidated to one sub-committee to oversee the Foundation's transition from active operations, to a much smaller organisation which will manage the Foundation's assets and investigate possible new operation models for Findhorn Foundation SCIO. This Trust Transition Committee is chaired by Helen Wildsmith, and with Jim Simpson (Findhorn Foundation SCIO trustee) as deputy chair.

Responsibility for the day-to-day running of the Findhorn Foundation is delegated to the Chief Executive and Leadership Team. 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.

Staff Remuneration

At the end of the 2021/22 financial period, the Foundation employed 56 staff (full time & part time). In October 2021, Trustees approved a proposal to raise the minimum pay rate to £9.75/hr, and to give all residential staff the option to be paid at the non-residential rate and to rent accommodation from the Foundation. All staff are now paid at least the Real Living Wage, £9.90/hr rising to £10.90/hr for the 2023/24 financial year. In January 2022, Trustees approved a structured pay policy that would allow maximum rates of pay up to twice the minimum for a 37.5 hour week, and from October 2022, the ratio between the lowest and the highest paid employee of the Foundation was currently about 1 to 1.5.

Principal risks, challenges, and uncertainties

In the report for the 2020/21 financial year, Trustees highlighted three key risks faced by the Foundation (1) Insufficient income to cover costs, (2) Recruitment and (3) Change of Leadership. While Trustees were successful in mitigating the risks associated with the change of leadership from the previous Lead Steward, Caroline Matters, to our new Chief Executive, Terence Gilbey, they were not successful in mitigating the other two risks in sufficient time – which resulted in Trustees' decision in July 2023 to move to end education operations.

The Foundation is now on a different path. Trustees intend to sell non-core assets so that all financial obligations of the Foundation are met and, if sufficient funds are available, to prepare a robust plan for Findhorn Foundation SCIO to continue the educational work and charitable purpose of the Foundation, albeit under a new operating model.

The primary risk now faced by the Foundation, is that there is insufficient cash to proceed with this plan, which in turn is contingent on selling assets or securing bridge financing to cover any gap between when cash is needed and assets are sold.

The key risks currently faced by the Foundation are (1) insufficient assets to cover all financial obligations, (2) a significant deterioration in the property market which would delay sale of assets or necessitate sale at significantly below current values; and (3) inability to secure bridge loan financing.

The balance sheet of the Foundation remains strong, with asset values well in excess of liabilities, and Trustees continue to closely monitor this and ensure that all liabilities are covered by properties which could be sold. To date, the properties sold by the Foundation in 2023 have sold for close to market value, and Trustees are closely monitoring the local property market.

To help mitigate any delay in sale of properties, Trustees are also actively pursuing options for bridge financing from banks, specialised lenders and long-term supporters of the Foundation.

FINDHORN FOUNDATION

TRUSTEES' REPORT

People

Findhorn Foundation Trustees

Mark Anderson, Chair

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 board of Phoenix Findhorn CIC.

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.

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.

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 actively engaged in our Findhorn International Centre of Sustainability initiative and currently chairs the Trust Transition Committee.

Francine Rietberg

A long-term staff member of the Foundation until June 2022, 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 and community. Currently she is involved with the Game of Transformation.

Kathy Tyler

Kathy is an international author and transformational trainer. She is co-founder of InnerLinks Associates with offices in the UK, Brazil, Taiwan 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 and collective transformation. She has been engaged with the collective evolution of the Findhorn Foundation community since 1978 and returned to live in the community in 2020.

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

FINDHORN FOUNDATION

TRUSTEES' REPORT

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. Roger resigned as a Trustee in November 2022.

Non-trustee sub-committee chair

Jim Simpson

Jim Simpson is an experienced finance professional, with an active and passionate interest in where spirit and community meet. Jim is currently Chair of Three Point Housing Society, Vice Chair of United Church of Canada Foundation and Treasurer of Pacific Jubilee Society of Spiritual Directors. After a career in the finance and corporate areas of international commodity marketing, the creative industries and oil field services in Canada, Jim has used his executive experiences to focus on supporting organisations in the not-for-profit sectors to assist in maximising their financial and organisational development areas to align with their mission and goals. He currently lives in Naramata, British Columbia. Jim chaired the Finance Committee from January 2023 until it was consolidated into the Trust Transition Committee in August 2023 which he is deputy chairs.

Leadership Team

Prior to February 2022, senior managers of the Foundation were known as Stewards, and the management team was known as the Stewards' Circle.

Terence Gilbey, Chief Executive

With more than 25 years of global operational and strategic executive experience in corporate and consulting roles in the technology, healthcare, communications, and professional services industries, Terry joined the Foundation after having served for over four years as the CEO and General Manager of the U.S.-based Esalen Institute, in California. Terry believes in the importance of Findhorn and other spiritual centres as a way to support a more resilient and peaceful world through greater connection to self, nature, community and spirit

Ann McEllin, Director of Finance and Resources

Ann is a chartered accountant with over 20 years of experience in the UK voluntary sector. She has co-led mergers and turn-around projects and she describes herself as a social entrepreneur. She is passionate about the natural world and community development, having served as an elected councillor on the Executive of a local authority for over 10 years. An alumna of Emmanuel College, Cambridge University, she gained her professional qualifications with Ernst & Young.

Shaun Vincent, Head of Philanthropy

Shaun is an experienced international development professional with a proven track record showing innovation and perseverance to solve complex organisational challenges. He has helped to grow International NGOs' presence in Myanmar, Nepal, Pakistan, the Philippines (Mindanao), South Sudan and secured multi-year strategic government funding and numerous large-scale restricted contracts from multilateral, bilateral, foundation and corporate sources.

More recently, Shaun co-established a social purpose coaching agency in Thailand. He is a qualified Neuro Linguistic Programming (NLP) mastercoach, and qualified Executive Leadership Coach. He joined the Findhorn Foundation in July 2021, returning to live in the United Kingdom after living and working overseas for nearly 30 years.

FINDHORN FOUNDATION

TRUSTEES' REPORT

Also part of the Stewards' Circle/Leadership Team during the 2021-22 financial period were:

- Caroline Matters, Lead Steward (to November 2022)
- Simon Stedman, Finance Steward (to October 2021)
- Jim Simpson, Interim Finance Steward (October 2021 – April 2022)
- Iris Toister, Environment Steward (to January 2022)
- Andrea Marcus, Education Steward (to October 2021)
- Judy McAllister, Interim Head of Education (to September 2022)
- Andrew Powell, Interim Head of Education (to September 2022)
- Francine Rietberg, Interim HR lead (to April 2022)
- Alessandro Daboni, Interim Head of Assets (to September 2022)
- Lorraine Warshaw Director of Operations & Strategy (August 2022 – October 2023)
- Wendy Richardson, Interim Head of Guest Experience (to September 2022)

FINDHORN FOUNDATION

TRUSTEES' REPORT

Statement of Trustee's 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 period 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 period.

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 of disclosure to auditor

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 the 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 on²² November 2023 and signed on their behalf by



Mark Anderson, Trustee



Francine Rietberg, Trustee

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES AND TRUSTEES OF FINDHORN FOUNDATION

Opinion

We have audited the financial statements of Findhorn Foundation (the 'charity') and its subsidiary (the "group") for the period ended 31 March 2022 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 March 2022, and the group and charity's incoming resources and application of resources for the period 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.

Emphasis of Matter – financial statements prepared on a basis other than going concern

We draw your attention to Note 1.2 to the financial statements which explains that the trustees have taken the decision to cease core charitable activities from October 2023, and to wind down all operations in the foreseeable future, and to transfer the charity's remaining assets to Findhorn Foundation SCIO during 2024. Therefore, the trustees do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1.2. Our opinion is not modified in respect of this matter.

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.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES AND TRUSTEES OF FINDHORN FOUNDATION

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 set out on page 20, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES AND TRUSTEES OF FINDHORN FOUNDATION

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and the sector in which it operates, 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 we identified include:

- UK GAAP
- Charities Accounts (Scotland) Regulations 2006
- The Charities and Trustee Investment (Scotland) Act 2005
- Accounting 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. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls.

We identified a heightened fraud risk in relation to;

- Management override of controls
- Revenue recognition

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulations or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the charity's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.
- Completion of appropriate checklists and use of our experience to assess the Charity's compliance with the SORP; and
- Agreement of the financial statement disclosures to supporting documentation.

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 misstatement 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.

FINDHORN FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES AND TRUSTEES OF FINDHORN FOUNDATION

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.



Johnston Carmichael LLP

28 November 2023.
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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 PERIOD ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 14 months ending 31 March 2022 £	Total 12 months ending 31 January 2021 £
<u>Income from:</u>						
Donations and legacies	3a	531,508	75,000	115,847	722,355	2,021,909
Charitable activities	4a	236,633	-	-	236,633	276,456
Other trading	7	906,472	-	-	906,472	627,271
Investments	5a	8,802	-	-	8,802	6,064
Other	6a	<u>1,276,374</u>	<u>-</u>	<u>-</u>	<u>1,276,374</u>	<u>189,225</u>
Total income		<u>2,959,789</u>	<u>75,000</u>	<u>115,847</u>	<u>3,150,636</u>	<u>3,120,925</u>
<u>Expenditure on:</u>						
Raising funds – charity costs	8	98,019	-	-	98,019	60,379
Charitable activities	9a	1,930,212	126,030	7,990	2,064,232	1,752,773
Raising funds - trading activities	7	950,569	-	-	950,569	711,457
Other	13a	<u>168,511</u>	<u>-</u>	<u>-</u>	<u>168,511</u>	<u>24,390</u>
Total expenditure		<u>3,147,311</u>	<u>126,030</u>	<u>7,990</u>	<u>3,281,311</u>	<u>2,548,999</u>
Net (expenditure)/income		<u>(187,522)</u>	<u>(51,030)</u>	<u>107,857</u>	<u>(130,695)</u>	<u>571,926</u>
Tax expense		(6,307)	-	-	(6,307)	(4,941)
Reserve transfer		(640,319)	661,155	(20,836)	-	-
Net movement in funds		<u>(834,148)</u>	<u>610,125</u>	<u>87,021</u>	<u>(137,002)</u>	<u>566,985</u>
Fund balances at 1 February 2021		<u>4,861,977</u>	<u>189,875</u>	<u>533,363</u>	<u>5,585,215</u>	<u>5,018,230</u>
Fund balances at 31 March 2022		<u>4,027,829</u>	<u>800,000</u>	<u>620,384</u>	<u>5,448,213</u>	<u>5,585,215</u>

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

At 31 March 2022, all income and expenditure derive from continuing activities.

FINDHORN FOUNDATION

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	Unrestricted funds	Designated funds	Restricted funds	Investment revaluation reserve	Total 14 months ending 31 March 2022	Total 12 months ending 31 January 2021
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	3b	531,508	75,000	115,847	-	722,355	1,587,898
Charitable activities	4b	236,633	-	-	-	236,633	276,456
Investments	5b	43	-	-	-	43	41
Other	6b	1,300,506	-	-	-	1,300,506	203,920
Total income		2,068,690	75,000	115,847	-	2,259,537	2,068,315
Expenditure on:							
Raising funds – charity costs	8	98,019	-	-	-	98,019	60,379
Charitable activities	9b	2,084,944	126,030	7,990	-	2,218,964	1,870,271
Other	13b	134,238	-	-	-	134,238	12,702
Total expenditure		2,317,201	126,030	7,990	-	2,451,221	1,943,352
Net (expenditure)/income		(248,511)	(51,030)	107,857	-	(191,684)	124,963
Net gains/(losses) on investments	14	-	-	-	54,683	54,683	8,011
Reserve transfer		(640,319)	661,155	(20,836)	-	-	-
Net movement in funds		(888,830)	610,125	87,021	54,683	(137,001)	132,974
Reconciliation of Funds							
Fund balances at 1 February 2021		4,365,838	189,875	46,302	463,361	5,065,376	4,932,402
Fund balances at 31 March 2022		3,477,008	800,000	133,323	518,044	4,928,375	5,065,376

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

At 31 March 2022, all income and expenditure derive from continuing activities.

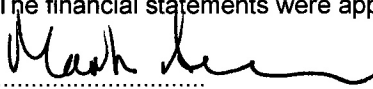
FINDHORN FOUNDATION

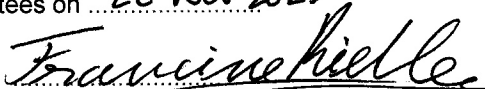
GROUP BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	As at 31 March 2022		As at 31 January 2021	
		£	£	£	£
Fixed assets					
Tangible assets	15a		5,552,027		5,444,776
Investments	16a		63,001		63,001
			<u>5,615,028</u>		<u>5,507,777</u>
Current assets					
Stocks	17	8,188		8,188	
Debtors	18a	102,597		673,685	
Cash at bank and in hand		1,177,384		765,975	
			<u>1,288,169</u>		<u>1,447,848</u>
Creditors: amounts falling due within one period	20a	(1,168,589)		(835,982)	
			<u>119,580</u>		<u>611,866</u>
Net current assets/(liabilities)					
			<u>5,734,608</u>		<u>6,119,643</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one period	21a		(241,916)		(496,256)
Provisions for liabilities	23		(44,479)		(38,172)
			<u>5,448,213</u>		<u>5,585,215</u>
Net assets					
			<u>5,448,213</u>		<u>5,585,215</u>
The Funds of the Charity					
Restricted funds	25		620,384		533,363
Designated funds			800,000		189,875
Unrestricted funds			4,027,829		4,861,977
			<u>5,448,213</u>		<u>5,585,215</u>

The financial statements were approved by the Trustees on 22 NOV 2023


 Mark Anderson
 Trustee


 Francine Rietberg
 Trustee

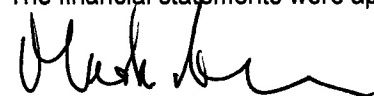
FINDHORN FOUNDATION

CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	As at 31 March 2022		As at 31 January 2021	
		£	£	£	£
Fixed assets					
Tangible assets	15b		4,288,598		4,521,982
Investments	16b		518,043		463,361
			<u>4,806,641</u>		<u>4,985,343</u>
Current assets					
Stocks	17	8,188		8,188	
Debtors	18b	66,447		627,590	
Cash at bank and in hand		938,045		339,082	
			<u>1,012,680</u>	<u>974,860</u>	
Creditors: amounts falling due within one period	20b	(820,331)		(691,869)	
Net current assets/(liabilities)			<u>192,349</u>	<u>282,991</u>	
Total assets less current liabilities			<u>4,998,990</u>	<u>5,268,334</u>	
Creditors: amounts falling due after more than one period	21b		(70,615)	(202,958)	
Net assets			<u>4,928,375</u>	<u>5,065,376</u>	
The Funds of the Charity					
Restricted funds	25b		133,323		46,302
Designated funds			800,000		189,875
Unrestricted funds			3,477,008		4,365,838
Investment revaluation reserve			518,044		463,361
			<u>4,928,375</u>		<u>5,065,376</u>

The financial statements were approved by the Trustees on 22 NOV 2023



Mark Anderson
Trustee



Francine Rietberg
Trustee

FINDHORN FOUNDATION

GROUP STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	Period ended 31 March 2022		Year ended 31 January 2021	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	34		977,680		234,537
Investing activities					
Purchase of tangible fixed assets		(481,674)		(415,554)	
Proceeds on disposal of tangible fixed assets		4,251		19,918	
Interest received		8,802		6,064	
Net cash used in investing activities			(468,621)		(389,572)
Financing activities					
Net repayment of borrowings		(52,163)		(32,529)	
New loans		-		563,881	
Finance costs		(45,487)		(23,228)	
Net cash used in financing activities			(97,650)		508,124
Net increase/(decrease) in cash and cash equivalents			411,409		353,089
Cash and cash equivalents at beginning of period			765,975		412,886
Cash and cash equivalents at end of period			1,177,384		765,975

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

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 13 May 2013, 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 PERIOD ENDED 31 MARCH 2022

1.2 Going concern

The group is reporting a deficit for the financial period and reporting net assets at the balance sheet date in the region of £5.5 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 challenges caused by Covid-19 resulted in a substantial reduction in charitable activities, most specifically in relation to the core education operations provided by the charity as a result of lock-down measures and restrictions preventing workshops and conferences from being run during 2021 and 2022. Since then, the charity has continued to face challenges, with education income remaining behind pre Covid levels of activity.

Despite the trustees having taken actions in order to reduce direct costs and having stopped non-essential capital expenditure as part of their cash flow management, as well as having considered alternative income streams, the Trustees have taken the decision to cease educational operational activities effective from 1 October 2023. The intention is for the charity to wind down all operations in the foreseeable future, and to transfer the charity's remaining assets to Findhorn Foundation SCIO during 2024, in conjunction with OSCR, the charity regulator.

The trustees and management have prepared cash flow forecasts through to March 2024, carefully considering the overall funding requirements to cover the running costs throughout this wind down period. The cashflow forecasts show that the charity is anticipated to have sufficient funds available to enable all liabilities to be met as they fall due during this period to March 2024, subject to property sales generating income at the level and timing expected as well as bridge finance being obtained as required. The trustees consider, after making appropriate enquiries and taking into consideration the decision to cease educational operations from 1 October 2023 and to wind down the charity, that it is not appropriate to adopt the going concern basis of accounting in preparing the financial statements. As a result of the trustees decision to cease educational operations, the financial statements are required to be prepared on a basis other than going concern. No adjustments have been made to the financial statements as a result of adopting this basis of preparation.

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 PERIOD ENDED 31 MARCH 2022

Accounting policies (continued)

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 period to which it relates. Any income received prior to the event is deferred.

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

Income in respect of holiday park bookings, other than non-refundable deposits, is recognised in the period in which the booking is taken up. Any receipts, other than non-refundable deposits, received in respect of bookings due after the end of the period are deferred and released when the booking is taken up. Income in respect of programmes and workshops which are due to take place after the period end is deferred and released when the programme or workshop takes place.

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 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 period.

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 PERIOD ENDED 31 MARCH 2022

1 Accounting policies (continued)

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 is based on suppliers' invoice price.

Net realisable value is the estimated selling price less all estimated costs of selling.

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.

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 period 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.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies (continued)

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 rental income is 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.

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 period amounts to £247,149 (2021 - £232,310) and the carrying value of fixed assets at the period-end amounts to £5,552,027 (2021 - £5,444,776).

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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 £	Designated funds £	Total 2022 £	Total 2021 £
Donations and gifts	508,647	115,847	-	624,494	768,508
Legacies Receivable	6,044	-	-	6,044	506,134
Grant income	16,817	-	-	16,817	747,267
Other	-	-	75,000	75,000	-
	531,508	115,847	75,000	722,355	2,021,909

For the year ended 31 January 2021

Donations and gifts	744,568	23,940	-	-	768,508
Legacies Receivable	506,134	-	-	-	506,134
Grant income	302,517	444,750	-	-	747,267
	1,553,219	468,690	-	-	2,021,909

3b Donations and legacies – Charity

	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2022 £	Total 2021 £
Donations and gifts	508,647	115,847	-	624,494	768,508
Legacies Receivable	6,044	-	-	6,044	506,134
Grant income	16,817	-	-	16,817	313,256
Other	-	-	75,000	75,000	-
	531,508	115,847	75,000	722,355	1,587,898

For the year ended 31 January 2021

Donations and gifts	744,568	23,940	-	-	768,508
Legacies Receivable	506,134	-	-	-	506,134
Grant income	302,517	10,739	-	-	313,256
	1,553,219	34,679	-	-	1,587,898

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

4a Charitable activities - Group	2022	2021	
	£	£	
Core Programme course income	85,430	17,416	
Workshop income	-	14,738	
Long term income programme	18,130	19,745	
Conferences and events income	38,765	875	
Other learning income	94,308	223,682	
	<u>236,633</u>	<u>276,456</u>	
Analysis by fund			
Unrestricted funds	<u>236,633</u>	<u>276,456</u>	
4b Charitable activities - Charity	2022	2021	
	£	£	
Core Programme course income	85,430	17,416	
Workshop income	-	14,738	
Long term income programme	18,130	19,745	
Conferences and events income	38,765	875	
Other learning income	94,308	223,682	
	<u>236,633</u>	<u>276,456</u>	
Analysis by fund			
Unrestricted funds	<u>236,633</u>	<u>276,456</u>	
5a Investments - Group	Unrestricted	Total	Total
	funds	2022	2021
	£	£	£
Interest receivable	8,802	8,802	6,064
	<u>8,802</u>	<u>8,802</u>	<u>6,064</u>

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

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

5b Investments - Charity

	Unrestricted funds	Total 2022	Total 2021
	£	£	£
Interest receivable	43	43	41

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

6a Other income - Group

	2022 £	2021 £
Sundry income (Unrestricted)	161,193	107,836
Rental income (Unrestricted)	161,290	81,389
Insurance Income (Unrestricted)	953,891	-
	<hr/>	<hr/>
	1,276,374	189,225
	<hr/>	<hr/>

6b Other income - Charity

	2022 £	2021 £
Sundry income (Unrestricted)	161,193	107,836
Rental income (Unrestricted)	185,422	96,084
Insurance Income (Unrestricted)	953,891	-
	<hr/>	<hr/>
	1,300,506	203,920
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

7 Raising funds - trading income and expenditure of subsidiary

Group	2022 £	2021 £
Income (net of consolidation adjustments)		
Sales	906,472	627,271
	<hr/>	<hr/>
Expenditure (net of consolidation adjustments)		
Cost of sales	385,640	296,815
Administration expenses	564,929	414,642
	<hr/>	<hr/>
	950,569	711,457
	<hr/>	<hr/>

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

8 Raising funds – charity costs – Group and charity

	2022 £	2021 £
<u>Fundraising and publicity</u>		
Other fundraising costs	98,019	60,379
	<hr/>	<hr/>

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

9a Charitable activities - Group

	2022 £	2021 £
Staff costs	931,682	1,020,136
Depreciation and impairment	178,033	171,077
Direct programme costs	28,307	47,725
Shop costs	1,199	2,396
Rent, fuel and maintenance	393,639	240,609
Food and domestic	62,145	83,867
Marketing	16,265	19,612
IT and office expenses	71,973	43,444
Project expenses	41,476	14,459
Other expenditure	310,803	93,788
	<hr/>	<hr/>
	2,035,522	1,737,113
Share of governance costs (see note 10)	28,710	15,660
	<hr/>	<hr/>
	2,064,232	1,752,773
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

Analysis by fund

Unrestricted funds	1,930,212	1,737,512
Designated funds	126,030	15,261
Restricted funds	7,990	-
	<hr/>	<hr/>
	2,064,232	1,752,773
	<hr/>	<hr/>

9b Charitable activities – Charity

	2022	2021
	£	£
Staff costs	931,682	1,020,136
Depreciation and impairment	178,033	171,077
Direct programme costs	28,307	47,725
Shop costs	1,199	2,396
Rent, fuel and maintenance	548,371	358,107
Food and domestic	62,145	83,867
Marketing	16,265	19,612
IT and office expenses	71,973	43,444
Development fund expenses	41,476	14,459
Other expenditure	310,803	93,788
	<hr/>	<hr/>
	2,190,254	1,854,611
Share of governance costs (see note 10)	28,710	15,660
	<hr/>	<hr/>
	2,218,964	1,870,271
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	2,084,944	1,855,010
Designated funds	126,030	15,261
Restricted funds	7,990	-
	<hr/>	<hr/>
	2,218,964	1,870,271
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

10 Support costs – Group and charity

	Governance costs	2022	2021
	£	£	£
Audit fees	15,425	15,425	12,660
Accountancy	13,285	13,285	3,000
	<hr/>	<hr/>	<hr/>
	28,710	28,710	15,660
	<hr/>	<hr/>	<hr/>
Analysed between Charitable activities	28,710	28,710	15,660
	<hr/>	<hr/>	<hr/>

11 Trustees

Francine Rietberg, a trustee of the Foundation, was an employee of the charity and, in accordance with provisions under the trust deed, received a salary of £11,846 (2021 - £11,576) for the services she provided as an employee during the period.

12 Employees

Number of employees

The average number of employees during the period was:

	2022	2021
	Number	Number
Group		
Staff allowance	18	42
Salaried	55	67
	<hr/>	<hr/>
	73	109
	<hr/>	<hr/>
Charity		
Staff allowance	18	42
Salaried	37	52
	<hr/>	<hr/>
	55	94
	<hr/>	<hr/>

Note: All employees had become salaried only by 31 March 2022

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

Employment costs - Group	2022	2021
	£	£
Wages and salaries	1,137,737	1,180,240
Social security costs	53,870	47,195
Other pension costs	14,380	10,632
	<hr/>	<hr/>
	1,205,987	1,238,067
	<hr/>	<hr/>

Employment costs - Charity	2022	2021
	£	£
Wages and salaries	883,261	977,747
Social security costs	37,410	34,498
Other pension costs	11,011	7,891
	<hr/>	<hr/>
	931,682	1,020,136
	<hr/>	<hr/>

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

13a Other expenses - Group

	2022	2021
	£	£
Net loss/(gain) on disposal of tangible fixed assets	123,024	1,162
Financing costs	18,297	23,228
Interest Payable	27,190	-
	<hr/>	<hr/>
	168,511	24,390
	<hr/>	<hr/>

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

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

13b Other expenses – Charity

	2022 £	2021 £
Net loss/(gain) on disposal of tangible fixed assets	115,941	1,162
Financing costs	18,297	11,540
	<hr/>	<hr/>
	134,238	12,702
	<hr/>	<hr/>

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

14 Net gains/(losses) on investments - Charity

	2022 £	2021 £
Revaluation of investments (see note 16b)	54,683	8,011
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

15a Tangible fixed assets - Group

	Land and Buildings £	Plant and equipment £	Fixtures and fittings £	Equipment £	Motor Assets Under vehicles £	Construction £	Total £
Cost							
At 1 February 2021	5,494,776	1,361,742	324,542	455,487	84,169	528,879	8,249,595
Additions	1,580	66,807	49,894	1,860	6,354	355,181	481,676
Disposals	(149,383)	(417)	(29,605)	(37,435)	-	-	(216,840)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	5,346,973	1,428,132	344,831	419,912	90,523	884,060	8,514,431
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment							
At 1 February 2021	1,326,254	975,483	171,764	280,413	50,905	-	2,804,819
Depreciation charged in the period	109,571	67,377	24,143	27,850	9,713	8,495	247,149
Eliminated in respect of disposals	(59,751)	(65)	(14,385)	(15,363)	-	-	(89,564)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,376,074	1,042,795	181,522	292,900	60,618	8,492	2,962,404
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount							
At 31 March 2022	3,970,899	385,110	162,969	127,579	29,905	875,568	5,552,027
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 January 2021	4,168,522	386,259	152,778	175,074	33,264	528,879	5,444,776
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

15b Tangible fixed assets - Charity

	Land and Buildings	Plant and equipment	Fixtures and fittings	Equipment	Motor Assets Under vehicles Construction	Total
	£	£	£	£	£	£
Cost						
At 1 February 2021	5,108,133	511,952	206,974	433,154	84,169	6,344,382
Additions	-	-	30,897	-	6,354	60,589
Disposals	(126,117)	-	(17,020)	(37,435)	-	(180,572)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	4,982,016	511,952	220,851	395,719	90,523	6,224,399
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment						
At 1 February 2021	1,174,892	243,248	99,198	254,157	50,905	1,822,400
Depreciation charged in the period	106,007	22,483	13,524	26,305	9,713	178,032
Eliminated in respect of disposals	(42,741)	-	(6,524)	(15,363)	-	(64,631)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,238,158	265,731	106,195	265,099	60,618	1,935,801
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	3,743,858	246,221	114,656	130,620	29,905	4,288,598
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 January 2021	3,933,241	268,704	107,776	178,997	33,264	4,521,982
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

16a Fixed asset investments – Group

	Investments
Cost	
At 1 February 2021 and 31 March 2022	63,001
	<hr/>
Carrying amount	
At 31 March 2022	63,001
	<hr/>
At 31 January 2021	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 2021	463,360
Valuation changes	54,683
	<hr/>
At 31 March 2022	518,043
	<hr/>
Carrying amount	
At 31 March 2022	518,043
	<hr/>
At 31 January 2021	463,361
	<hr/>

	Notes	2022	2021
		£	£
Other investments comprise:			
Investments in subsidiaries	33	518,043	463,361
		<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

17 Stocks – Group and charity

	2022	2021
	£	£
Raw materials and consumables	8,188	8,188

18a Debtors - Group

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	25,759	49,606
Amounts due from group undertakings	2,006	-
Other debtors	55,962	550,013
Prepayments and accrued income	18,870	74,066
	<u>102,597</u>	<u>673,685</u>

18b Debtors - Charity

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	24	14,489
Other debtors	47,553	539,035
Prepayments and accrued income	18,870	74,066
	<u>66,447</u>	<u>627,590</u>

19a Loans and overdrafts - Group

	2022	2021
	£	£
Bank loans	129,216	163,880
Other loans	421,671	395,731
Friendly loans	335,745	440,532
	<u>886,632</u>	<u>1,000,143</u>
Payable within one year	644,716	503,887
Payable after one year	241,916	496,256

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

The Triodos 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 within land and buildings 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.

Friendly loans 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.

19b Loans and overdrafts - Charity

	2022	2021
	£	£
Bank loans	87,549	113,880
Other loans	448,530	551,652
	<hr/>	<hr/>
	536,079	665,532
	<hr/>	<hr/>
Payable within one year	465,464	462,574
Payable after one year	70,615	202,958
	<hr/>	<hr/>

The Triodos 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 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.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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

	Notes	2022 £	2021 £
Bank loans	19a	36,108	28,709
Other loans	19a	272,863	34,646
Other borrowings	19a	335,745	440,532
Other taxation and social security		16,581	16,462
Deferred income	22	213,266	57,689
Trade creditors		68,643	79,851
Other creditors		149,783	110,929
Accruals		75,600	67,164
		<hr/>	<hr/>
		1,168,589	835,982
		<hr/>	<hr/>

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

	Notes	2022 £	2021 £
Bank loans	19b	26,108	22,042
Other borrowings	19b	439,356	440,532
Other taxation and social security		11,629	13,527
Deferred income	22	142,926	57,689
Trade creditors		36,347	-
Amounts due to subsidiary undertakings		12,531	36,233
Other creditors		122,331	91,383
Accruals		29,103	30,463
		<hr/>	<hr/>
		820,331	691,869
		<hr/>	<hr/>

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

	Notes	2022 £	2021 £
Bank loans	19a	93,108	135,171
Other borrowings	19a	148,808	361,085
		<hr/>	<hr/>
		241,916	496,256
		<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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

	Notes	2022 £	2021 £
Bank loans	19b	61,441	91,838
Other borrowings	19b	9,174	111,120
		<hr/>	<hr/>
		70,615	202,958
		<hr/>	<hr/>

22 Deferred income – Group

	2022 £	2021 £
Other deferred income	213,266	57,689
	<hr/>	<hr/>
		£
Balance as at 1 February 2021		57,689
Amount released to income earned from charitable activities		(134,934)
Amount deferred in period		290,511
		<hr/>
		213,266
		<hr/>

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

23 Provisions for liabilities and charges - Group

	2022 £	2021 £
Accelerated capital allowances	44,479	38,172
	<hr/>	<hr/>
	44,479	38,172
	<hr/>	<hr/>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

	2021 £
Movements in the period:	
Liability at 1 February 2021	38,172
Charge to profit or loss	6,307
	<hr/>
Liability at 31 March 2022	44,479
	<hr/>

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 £14,380 (2021 - £10,632) for the group and £11,011 (2021 - £7,891) 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:

	Movement in funds				Balance at 31 March 2022
	Balance at 1 February 2021	Income	Expenditure	Fund transfer	
	£	£	£	£	
Hygeia funding	35,563		-	(35,563)	-
Beatrice grant	10,739		-	(10,739)	-
Sanctuary	-	84,636		(9,853)	74,783
Asset Development Fund	-	-		23,120	23,120
Infrastructure & Improvements Fund	-	11,407		13,653	25,060
Cluny Funds	-	19,814	(7,990)	(1,454)	10,360
Project A funding	487,061		-	-	487,061
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	533,363	115,847	(7,990)	(20,836)	620,384

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.

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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:

	Movement in funds				Balance at 31 March 2022
	Balance at 1 February 2021	Income	Expenditure	Fund transfer	
	£	£	£	£	
Hygeia and Beatrice reserves	46,302		-	(46,302)	-
Sanctuary	-	84,636	-	(9,853)	74,783
Asset Development Fund	-	-	-	23,120	23,120
Infrastructure & Improvements Fund		11,407		13,653	25,060
Cluny Funds	-	19,814	(7,990)	(1,454)	10,360
	<u>46,302</u>	<u>115,847</u>	<u>(7,990)</u>	<u>(20,836)</u>	<u>133,323</u>

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

26 Designated funds – Group and charity

Designated funds are not split between different 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.

28a Analysis of net assets between funds - Group

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible assets	5,064,966	-	487,061	5,552,027
Investments	63,001	-	-	63,001
Current assets/(liabilities)	(813,743)	800,000	133,323	119,580
Long term liabilities	(241,916)	-	-	(241,916)
Provisions	(44,479)	-	-	(44,479)
	<u>4,027,829</u>	<u>800,000</u>	<u>620,384</u>	<u>5,448,213</u>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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>

28b Analysis of net assets between funds - Charity

	Unrestricted Funds	Designated Funds	Restricted Funds	Investment Revaluation Reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:					
Tangible assets	4,288,595	-	-	-	4,288,595
Investments	-	-	-	518,042	518,042
Current assets/(liabilities)	(740,972)	800,000	133,323	-	192,351
Long term liabilities	(70,615)	-	-	-	(70,615)
	<u>3,477,008</u>	<u>800,000</u>	<u>133,323</u>	<u>518,042</u>	<u>4,928,373</u>

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>

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

29 Financial commitments, guarantees and contingent liabilities

New Findhorn Directions Limited has borrowed £38,011 (2021 - £50,228) from Ekopia Resource Exchange and this loan is guaranteed by The Findhorn Foundation.

30 Capital Commitments

The group had committed to £nil in respect of the acquisition of tangible assets (2021 - £357,000). This amount is not provided for in the financial statements.

31 Related party transactions

Transactions with related parties

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

During the period, Findhorn Foundation made sales to its subsidiary, New Findhorn Directions Limited, of £24,134 (2021 - £14,695) and made purchases of £154,732 (2021 - £117,498). At the reporting date, Findhorn Foundation owed £12,531 (2021 - £36,233) to its subsidiary.

Included in debtors at the period-end is a balance of £25,652 (2021 - £nil) relating to Findhorn College, whose board are appointed in conjunction with the Trustees and Management Group of The Findhorn Foundation. During the period, £9,032 (2021 - £3,717) of the income came from the College.

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 £11,992 (2021 - £5,461) to Findhorn Foundation in the period and owed Findhorn Foundation £2,521 (2021 - £nil) at the reporting date. Purchase invoices totalling £80 (2021 - £nil) were paid by Findhorn Foundation to Universal Hall in the year.

During the period Findhorn Foundation made sales of £5,274 (2021 - £5,948) to Findhorn Wind Park Limited, an associate undertaking. These transactions were conducted at an open market value.

During the period 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 to the charity of £100,000; Donations received by the charity of £20 (2021 - £3,630); IT consultancy paid of £nil (2021 - £40)

Francine Rietberg – Staff allowance paid of £11,522 (2021 - £12,126); Donations received by the charity of £24 (2021 - £1,977); Travel expenses of £nil (2021 - £135); Sponsorship £220 (2021 - £nil); Loan scheme balance of £43,637 (2021 - £nil)

Helen Wildsmith – Course income received of £nil (2021 - £230); Donations received by the charity of £5,400 (2021 - £8,600); Interest free loan to the charity of £5,000 (2021 - £30,000);

Kathy Tyler – Donation received by the charity of £1,063 (2021 - £500); Interest free loan to the charity of £14,839 (2021 - £nil)

Roger Collis – Donation received by the charity of £20 (2021 - £nil)

Nicola Coombe – Donations received by the charity of £115 (2021 - £5,100)

Paul Dickinson – Donations received by the charity of £nil (2021 - £3,500)

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

32 Ultimate controlling party

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

33 Subsidiaries - Charity

Details of the charity's subsidiaries at 31 March 2022 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

34 Cash generated from operating activities

	2022 £	2021 £
Net movement in funds for the period	(137,002)	566,985
Adjustments for:		
(Gain)/loss on disposal of tangible fixed assets	123,024	1,351
Interest income	(8,802)	(6,064)
Interest paid	45,487	23,228
Depreciation and impairment of tangible fixed assets	247,146	232,310
Tax charge	6,307	4,941
Movements in working capital:		
Decrease in stocks	0	28,827
Decrease/(increase) in debtors	571,088	(486,633)
Increase/(decrease) in creditors	130,433	(130,408)
Cash generated from operating activities	977,680	234,537

FINDHORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

35 Analysis of changes in net debt

	At 1 February 2021 £	Net cash flows £	At 31 March 2022 £
Cash at bank and in hand	765,975	411,409	1,177,384
Loans falling due within one period	(503,887)	(140,829)	(644,716)
Loans falling due after more than one period	(496,256)	254,340	(241,916)
	<hr/>	<hr/>	<hr/>
	(234,168)	524,920	290,752
	<hr/>	<hr/>	<hr/>

36 Post Balance Sheet Events

Following the period end, the Charity made the decision to cease educational operations from 1 October 2023 with the intention to wind down operations in the foreseeable future. See Going Concern note 1.2 for further details.