

Company registration number: 00962009

Charity registration number: 259649

International Society For Krishna Consciousness Limited

(A company limited by guarantee)

Annual Report of the Trustees and Group Financial Statements

for the Year Ended 31 December 2020

KNAV
Statutory Auditors
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

International Society For Krishna Consciousness Limited

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International Society For Krishna Consciousness Limited

Company Information

Trustees

Mr T M Anderson
Mrs D Clark
Mr A W Howchin
Mr G T McMullan
Mr P P Murphy
Mr K K M Patel

Secretary

Ms G Olapoju

Registered office

Oak House
1 Watford Road
Radlett
Hertfordshire
WD7 8LA

The charity is incorporated in England and Wales.

Company Registration Number

00962009

Charity Registration Number

259649

Auditor

KNAV
Statutory Auditors
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

International Society For Krishna Consciousness Limited

Company Information

Bankers

Lloyds TSB Bank plc
Business Banking Service Centre 10 Booth Street
Manchester M2 4AW

Solicitors

Bates, Wells & Braithwaite Cheapside House
138 Cheapside London
EC2V 6BB

International Society For Krishna Consciousness Limited

Trustees' Report

The Trustees present their report and the financial statements for the year ended 31 December 2020.

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the group and charitable company for the year ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK; FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission.

The body responsible for the management of the Charity is the Board of Trustees.

OPERATION

The Charity is organized so that the trustees meet regularly to manage its affairs. There is one full time administrator (company secretary) who manages day-to-day administration of the charity and is in regular contact with the trustees. There are a number of full time and part time employees and we are also very grateful for the help provided by the many volunteers throughout the year, particularly during the religious festival periods.

BOARD OF TRUSTEES

The Board of trustees who served during the year 2020 are shown below. Trustees are appointed or removed by the Members. Trustees serve for a period of 3 years and every 3 years one third of the Trustees step down with a right of reappointment, voted on by the Members.

- Paul Murphy (Praghosa dasa) - Chairman Terry Anderson (Tarakanatha dasa)
- Antony Howchin (Titiksu dasa)
- Kam Patel (Kamalesh Krishna dasa)
- George McMullan (Prabhupada Prana dasa)

New trustees are provided with training on their legal obligations under charity and company law, Charity Commission guidance on public benefit, the aims and objectives of the Charity, and the governance and decision making processes of the Charity. Continuing training for trustees is undertaken through regular meetings, attending relevant seminars, specific discussions with individuals and organisations and briefing papers in the areas supported by the charity.

International Society For Krishna Consciousness Limited

Trustees' Report

THE CHAIRMAN'S STATEMENT



What an extraordinary year it has been and indeed continues to be. With all the challenges the current pandemic brings, we have though seen the remarkable good nature that exists in all of us, really come to the fore. First and foremost, we have witnessed such generosity and courage from our health care workers but similar qualities have also been displayed by so many throughout our society. There is little doubt that such displays of the best of human nature have been a wonderful silver lining to the big clouds that we have all recently experienced.

On the subject of nature, we have also been a witness to nature's formidable power in the form of this coronavirus pandemic. Given this is something we had zero knowledge of a year or so ago, and the spectacular impact it has had on all of our lives, it really does allow us to appreciate how precarious and vulnerable we all are to forces beyond our control. That is both a sobering but also a liberating dynamic.

There is one ancient Vedic aphorism which states "padam padam yad vipadam" which translates as: "In this world there is danger at every step". In normal times that statement can be more difficult for us to identify with, however as a result of this pandemic, which pretty much transcends all boundaries, the realisation of danger has in many ways been equalised across all of society both here and worldwide.

Our efforts at ISKCON during this pandemic have been to greatly increase our free distribution of quality, wholesome vegetarian meals, with a particular focus on those most in need, as well as healthcare workers and those on the frontline. In addition, we have given much focus to the distribution of our vast body of literature, which is arguably a greater contribution regarding the crisis we are all facing.

Physically this knowledge advances a wholesome and healthy lifestyle. It outlines how fulfilment of our desires can be attained without pandering to the usual suspects in the form of intoxication, gambling, undesirable foods or casual, excessive sensual activity. Those pursuits ultimately culminate in an encumbrance on humankind, placing demands both on individuals themselves, their loved ones, and society at large, in the form of our social and healthcare facilities that have to deal with the fallout.

Many who have taken advantage of our literature have discovered that it is possible to free themselves of some, if not all, of these less-than-ideal compulsions.

By all accounts our lives these days are increasingly more hectic than they have ever been, and the world we live in is arguably more demanding than ever before. This naturally results in people feeling more vulnerable and less able to navigate their day to day struggles, which can invariably lead to a sense of a lack of purpose with life in general. By offering viable meditation methods, which assist in reducing our anxieties on all levels, and by imparting knowledge regarding the role of all living beings from the perspective of timelessness, our literature offers genuine optimism and real clarity of direction.

This information also gives prominence to and underscores an obligation to help, assist and serve humankind in a mood of modesty, empathy and thoughtfulness. This inherently results in cooperation and goodwill between persons regardless of race, ethnicity, nationality or religion etc. Thus, we strive to advance veneration for all living beings with a postcode on Mother Earth and of course Mother Earth herself.

Spiritual growth is all the more trouble-free when our true self, the spiritual force within and its intrinsic qualities, are clearly known. The spiritual force within surpasses gender, nationality, ethnicity and religion. The principles outlined in our voluminous publications describe who we actually are, where our true home is and why we find ourselves where we are presently. All of this is demonstrated via the elucidating universal Vedic view and it is a view that is freely available to one and all.

International Society For Krishna Consciousness Limited

Trustees' Report

OBJECTIVES AND ACTIVITIES

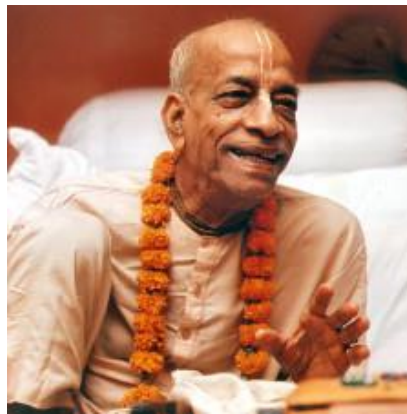
The charity is constituted as a company limited by guarantee and is therefore governed by the Memorandum and Articles of Association.

In pursuance of our charity's aims and objectives, the trustees have considered the Charity Commission's guidance on public benefit and in particular, the specific guidance on charities for the advancement of religion. Our aims, objectives and activities are reviewed annually to ensure our focus remains fixed on our charity's purposes.

The charity's aims and objectives continue to be:

1. To systematically propagate spiritual knowledge to society at large and to educate all peoples in the techniques of spiritual life, in order to check the imbalance of values in life and to achieve real unity and peace within the world.
2. To propagate a consciousness of Krishna, (God), as is revealed in Bhagavad-Gita and Srimad Bhagavatam, ancient scripture).
3. To bring the members of the society together with each other and nearer to Krishna, the prime entity, thus developing the idea within the members, and humanity at large, that each soul is part and parcel of the quality of Godhead.
4. To teach and encourage the Sankirtan movement, congregational chanting of the holy names of God, as revealed in the teachings of Lord Sri Caitanya Mahaprabhu.
5. To erect for the members and for society at large a holy place of transcendental pastimes dedicated to the personality of Krishna.
6. To bring members together for the purpose of teaching a simpler, more natural way of life.
7. With a view to achieving the aforementioned purposes, to publish and distribute periodicals, books and other writings.

Through its various U.K. centres, the charity seeks to provide services of spiritual excellence in education, lifestyle and culture as revealed in the teachings of the Vedic scriptures of India, Bhagavad Gita, Srimad Bhagavatam and according to the teachings of His Divine Grace A.C. Bhaktivedanta Swami Prabhupada, Founder-Acharya of the International Society for Krishna Consciousness.



His Divine Grace A.C. Bhaktivedanta Swami Prabhupada, Founder-Acharya of the International Society for Krishna Consciousness.

International Society For Krishna Consciousness Limited

Trustees' Report

Through extensive educational services to schools, colleges and universities, distribution of books and presentations from its various publications and through the numerous largely attended festivals, the charity offers a cultural presentation for the re-spiritualization of the entire human society. It seeks to offer a clue as to how humanity can become one in peace, friendship and prosperity with a common cause. A more detailed account of the specific activities and the benefit to the public is given later in the report.

THE CHARITY'S STRATEGY

The key elements of our medium to long term strategy are:

1. Distribution of literature
2. Public festivals - promoting spiritual techniques
3. The distribution and promotion of sanctified vegetarian food (prasadam)
4. Education in doctrines, training in religious practice: pastoral care
5. Promotion through other media
6. Encouraging positive life principles and social engagement through volunteering
7. The opening of new centres/sangas (spiritual gatherings)
8. Outreach - including youth outreach
9. Fundraising
10. Kirtan (congregational chanting of the names of the Supreme Being)

Distribution of literature

The distribution of spiritual literature is a fundamental aspect of our work to benefit society as well as individuals.

There are many benefits, physical, mental, social and spiritual. Physically this knowledge promotes a healthier way of life.

Our literature shows how satisfaction of the individual's needs can be achieved without indulging in self-destructive habits such as smoking, alcohol consumption, recreational drugs, gambling, unhealthy foods and promiscuous sexual activity. Those activities result in a burden on society putting strain on shared resources like the Health service and other social services.

People who have read our books have found it easier to eliminate some unhealthy habits, if not all.

In today's fast moving and competitive world people may feel unable to cope or feel they are lacking a real purpose in life. By giving practical meditation techniques, which help ease mental stress and by providing information about the function of the living being from this timeless viewpoint, our books give hope and purpose.

Knowledge which emphasizes service to others as well as humility, tolerance and respect, naturally produces unity and harmony amongst people of all different backgrounds. Socially, we promote respect for all peoples as well as all creatures and Mother Earth

Spiritual progress is made so much easier when the real self, the soul and its inherent nature are better understood the soul is beyond gender, race and creed. The teachings presented in our literature explain who we are and why we are here from the illuminating Vedic perspective.

International Society For Krishna Consciousness Limited

Trustees' Report

Public Festivals - promoting spiritual techniques

Festivals are an important part of our activities. They give opportunities for members of the public to be introduced to our spiritual teachings and allow our existing members to become more involved and deepen their relationships with each other, the public, newcomers and ultimately with God.

Festivals are inspiring and help to strengthen faith. They are entertaining, colorful and uplifting and are open to all generating inter religious harmony. Many aspects of Vedic perspective are demonstrated during the various festivals that are held throughout the year using music, dance, drama and philosophy. All our festivals would not be complete without delicious, sanctified vegetarian food

One of the major, yearly festivals is Janmastami, the celebration of Lord Krishna's appearance in this world. This is celebrated in all our centres. The biggest is at ISKCON Bhaktivedanta Manor in Hertfordshire, attracting many 1000's of visitors with upwards of 1500 volunteers involved in putting on the festival giving a virtual experience of the culture, philosophy and music of the International Society for Krishna Consciousness. Unfortunately, due to the pandemic, the charity was unable to hold the festival this year.

Another important public festival is the Festival of Chariots known as Rathayatra. It consists of a street parade with one, or in larger cities, three 40ft high colourfully decorated chariots, each weighing almost 4 tonnes. The whole procession is accompanied by congregational singing and dancing, culminating in a cultural festival in a central or popular location. Explanations and experiential opportunities are available as well as plays and performances, music and worship. Once again sanctified vegetarian food is available to members, visitors and guests.

Rathayatra is held in many of the major cities of England and Wales; London, Birmingham, Leicester, Manchester, Cardiff and Brighton as well as many smaller towns and cities. The number of committed attendees at these festivals can range from hundreds to several thousand people.

The distribution and promotion of sanctified vegetarian food (prasadam)

This is a significant part of our activities because the food we distribute is not only vegetarian but also spiritually sanctified food called 'prasadam'. This means that anyone who takes this prasadam is physically and spiritually benefited. Some of our centres are able to offer a free meal to guests and visitors every day. Our smaller centres can do so at their regular programs and at the many festivals celebrated. Unfortunately,

ISKCON also runs Govinda's Restaurants in Swansea and London and a café Atma in Cardiff. The Society has investments in Govinda's Foods Ltd who create specialist food products for supermarkets. These businesses fulfil the same goals of promoting healthier and karma free eating and help create income for ISKCON.

Some of our centres are able to distribute free sanctified food to homeless persons and to the growing number who require a little extra help. This is done through our Food for Life programme.



International Society For Krishna Consciousness Limited

Trustees' Report

Education in doctrines, training in religious practice: pastoral care

As mentioned in our 'objectives and activities' we aim to 'educate all peoples in the techniques of spiritual life'.

ISKCON Educational Services (IES) provides school children from all backgrounds, tours, workshops, classes and a vegetarian lunch as part of their education on Hinduism within the National Curriculum. At ISKCON Bhaktivedanta Manor, thousands of children, teachers and parents have benefited from IES services to increase their understanding of Vedic culture and the people who follow it. There are also IES programmes at ISKCON London, ISKCON Newcastle and ISKCON Manchester.

All our centres hold regular classes and seminars for the benefit of their members and the public, who are given insights into how to lead a more fulfilling life. There is in house training and we visit private homes and schools on invitation. In addition, programs are held in many colleges and universities especially in and around London, Birmingham, Manchester and Newcastle.

ISKCON Bhaktivedanta Manor also conducts residential courses for training men and women in spiritual practices to enable them to practice spiritual life either as full -time residents or in their own homes. Moreover, ISKCON Bhaktivedanta Manor runs its own nursery and primary school providing for over 40 children. They are taught mainstream education and spiritual values appropriate to their age. The same site offers four Sunday schools.

Due to the restrictions in place during the year as a result of the global pandemic, we moved our classes online, streaming these on various platforms. By doing so, we could continue servicing the community.

Promotion through other media

We are always looking at different ways to promote our organisation. We are seen attending local and large music festivals and camps and the meditation app is being well received. Performances of plays, theatre, music and drama are widespread at our many events and the record label run by the London centre produces varied tracks and albums. Our social media presence is widespread with every centre and department developing their communications teams. We are often able to use the expertise of our members and congregation to develop innovative ways to increase awareness.

This has proved pivotal over the past year, as it allowed us to continue with our objectives, as far as possible, whilst the country faced government restrictions.

The opening of new centres/sangas (spiritual gatherings)

We are pleased to encourage new and emerging centres and meetings. ISKCON London, for example has made great strides in encouraging ISKCON Crawley, ISKCON Croydon and members in Rochester, Kent. ISKCON Bhaktivedanta Manor has some 25 to 30 home sanga groups which meet regularly. Manchester, Newcastle, Birmingham and Wales are also active in establishing new centres and sanga groups.

Outreach - including youth outreach

Outreach is an important part of our activities. Each centre has unique programs which encourage initial, further or full participation in the wealth of activities, courses, classes, programs and retreats that are organised.

Fundraising

We strive to raise funds in a variety of ways. Our larger centres and projects have patronage systems and all receive one off donations for the general up keep up keep and day to day running. We also receive designated and occasionally restricted funds for specific projects. Our book distribution may raise funds as well as our few investments, our restaurants and property leasing.

Kirtan (congregational chanting of the names of the Supreme Being)

Typically a call and response style chant or perhaps a song set to music, Kirtan explores spiritual ideas and expresses love and devotion to the Supreme Being. Our Kirtan often involves dancing and we are probably the most famous for 'public kirtan', known as Harinama. We most often chant the Hare Krishna Maha Mantra.

International Society For Krishna Consciousness Limited

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OVERVIEW OF THE U.K. CENTRES

Overall, considering the very unsettled year, the centres in the U.K. group were able to deal with circumstances reasonably well. This may be in part to our standard watchful approach. There is no doubt that some activities have been set back as a result. We will also be reviewing our strategies for risk management, particularly concerning funding sources and the continuity of donations.

ISKCON Bhaktivedanta Manor (Connected Charity)

ISKCON Bhaktivedanta Manor is our largest UK centre, situated in a semi- rural setting near Watford, Hertfordshire.

The Grade II listed property is set among gardens, lawns and a lake and the other buildings and cottages house sacred Tulasi plants, primary and pre-schools, a Ladies Ashrama, a bakery and guest facilities.

Bhaktivedanta Manor is also home to a Goshala, (cow shelter), where cows and bulls/oxen are protected for the duration of their lives and are never slaughtered.

This year saw the Manor closed to the public for a significant amount of the year due to the world situation and government mandates. The newly completed Haveli building was little used with the majority of weddings, events and festivals cancelled.

Online programmes were organised and attended in the 1000's, as well as numerous phone calls to check in with community members. 'Mantra care' packages were distributed to hospitals containing, 2 small books, incense, prasada, and a letter of explanation.

During the phased re-opening an online ticketing system was used to manage the number of visitors who were guided through a one-way system.

ISKCON Birmingham

Birmingham members continue to emphasise congregational chanting and host kirtan yoga groups every week. As meeting in person was reduced, online gatherings took precedence. The congregation organised a socially distanced mini Rathayatra which stopped outside individual homes and prasada was given.

ISKCON Hare Krishna Festivals

The department has no physical centre as the strategy involves travelling from town to town holding cultural events and assisting the smaller local communities, with setting up and manning festivals and Harinamas. Due to the world situation all activities were on hold with online lectures and regular updates only.

ISKCON Leicester

The Leicester centre is one of Joseph Goddard's iconic grade II listed architectural buildings, completed in 1872.

Centre activities were halted for the majority of the year with the congregation participating in online retreats and gatherings. The centre continued fundraising efforts for the upkeep of the historic building.

International Society for Krishna Consciousness - London (Connected Charity)

Situated in the City of Westminster and part of the West End of London, this active centre is strategically placed for many projects.

The centre activities were reduced apart from the online activities.

The onsite restaurant, Govinda's, was closed for a few months, re-opening with takeaway only and deliveries. After re-opening, a booking system was introduced for guests who wished to visit the shrine area.

International Society For Krishna Consciousness Limited

Trustees' Report

ISKCON Manchester

The established centre of ISKCON Manchester is 3 miles from Manchester city centre and close to Alexandra Park.

Activities switched to an on-line format with a steady offering of courses and lectures. Sanctified vegetarian food (prasadam), was distributed to NHS staff and key workers

ISKCON Newcastle

The Newcastle centre is a former bank, a mile and a half from the city centre.

Social media platforms were the main connection with the promotion and running of talks and courses for the congregation, while the centre was closed. Free food was also distributed.

ISKCON Wales

ISKCON Wales have two main centres; in Swansea which has a ground floor restaurant and a Temple upstairs and their main centre near Cardiff Bay, a substantial double-fronted building. There are two restaurants, Govinda's restaurant and the Atma Lounge and a third linked venue, the Annaloka café. All of these were closed for some months and then re-opened with takeaway sales.

Govinda's Foods Ltd is run by the Welsh devotees. This venture develops and manufactures a range of 'free from' food products and deliver them to market. The 100% dairy free factory suffered reduced orders during the year.

All lectures and courses moved to an online format. Food for Life Wales went from strength to strength distributing up to 1000 meals each day and the Temple president and team were nominated for a Points of Light award.

AFFILIATED CHARITIES / PARTIES

Food for All



Charity registration number 1077897

Food for All are presently distributing 1,000 healthy meals daily, and for those living on the streets of North London, this can be a life line.

The Lotus Trust



Charity registration number 1114304

The Lotus Trust is an educational, relief and development agency seeking to transform lives and improve the environment in the UK and abroad.

The I Foundation



Charity registration number 1105545

Company registration 05137350

The I Foundation is a limited company and a charity working with in education.

Bhaktivedanta Manor Ltd

Company registration number 6612940

This is a 100% subsidiary of ISKCON Bhaktivedanta Manor Ltd who is its sole beneficiary.

International Society For Krishna Consciousness Limited

Trustees' Report

FINANCIAL REVIEW

The group's net income for the year was recorded at £975,454 (2019: £3,972,057).

The principal funding source continued to be the receipt of donation and legacies which amounted to £5,381,920 (2019: £7,736,319). The funds generated from charitable activities of the charitable companies within the group was recorded at £823,317 (2019: £1,523,423) and from the trading activities of the charitable companies within the group was recorded at £581,089 (2019: £1,520,457). There was a notable drop in incoming resources mainly due to the pandemic and the restrictions in place as a result, which led to centres, shops and restaurants being closed for a long period of time.

Investment income, which comprised the charitable letting of property and bank interest received provided a useful contribution of £149,930 (2019: £151,873).

Total income was £8,752,340 (2019: £12,418,984).

Total resources expended was £7,776,886 (2019: £8,446,927).

The total of unrestricted funds at 31 December 2020 was £15,172,442 (2019: £15,136,442). The total of restricted funds at 31 December 2020 was £31,338,296 (2019: £30,150,294).

There was an accumulated deficit in relation to the activities of the trading subsidiary at 31 December 2020 of £470,191 (2019: £221,827).

RESERVES POLICY

The trustees aim to establish a level of unrestricted funds which equates to at least twelve months' worth of expenditure on raising funds and on charitable activities. The trustees believe that this is an appropriate benchmark to use in light of the Charity Commission's guidance on the appropriate level of reserves.

With annual expenditure on raising funds and on charitable activities running at a level of £8,500,000 the group has achieved its aims with unrestricted funds at 31 December 2020 amounting to £15,172,442 (2019: £15,136,442).

RISK MANAGEMENT

The trustees are responsible for establishing internal control systems within the group. The major risks which may impact the activities of the group have been reviewed during the year and the trustees are satisfied that the system of internal controls currently in place is adequate, whilst recognising that they are designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the group.

The risk within the group lies within its grant-giving for development and/or education within the UK, as well as abroad, of their broad principles and its associated reputational risk.

International Society For Krishna Consciousness Limited

Trustees' Report

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr T M Anderson

Mrs D Clark

Mr A W Howchin

Mr G T McMullan

Mr P P Murphy

Mr K K M Patel

Secretary

Ms G Olapoju

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International Society For Krishna Consciousness Limited
Trustees' Report

REFERENCE AND ADMINISTRATIVE DETAILS (cont.)

Bankers

Lloyds TSB Bank plc
Business Banking Service Centre 10 Booth Street
Manchester M2 4AW

Solicitors

Bates, Wells & Braithwaite Cheapside House
138 Cheapside London
EC2V 6BB

International Society For Krishna Consciousness Limited

Trustees' Report

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of International Society for Krishna Consciousness Limited for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, KNAV Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on..... and signed on the board's behalf by:

.....

A W Howchin - Trustee

International Society For Krishna Consciousness Limited

Independent Auditor's Report to the Members of International Society For Krishna Consciousness Limited

Opinion

We have audited the financial statements of International Society For Krishna Consciousness Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

International Society For Krishna Consciousness Limited

Independent Auditor's Report to the Members of International Society For Krishna Consciousness Limited

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; 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 14), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

International Society For Krishna Consciousness Limited

Independent Auditor's Report to the Members of International Society For Krishna Consciousness Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the Charity and discussions with key members of the charity, we identified Companies Act 2006, the Charities Act and Financial Reporting Standard 102 as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the Charity's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- enquiry of management about the Group's and Charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the trustee minutes;
- enquiry of management and review and inspection of relevant correspondence with any legal firms;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

International Society For Krishna Consciousness Limited

Independent Auditor's Report to the Members of International Society For Krishna Consciousness Limited

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us. A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Amanjit Singh FCA (Senior Statutory Auditor)
For and on behalf of KNAV, Statutory Auditor

Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

Date:.....

International Society for Krishna Consciousness Limited

Group Statement of Financial Activities for the year ended 31 December 2020

| | Notes | Unrestricted funds £ | Restricted funds £ | Trading income/ expenses £ | 2020 Total £ | (As restated) 2019 Total £ |
|--|-------|----------------------------|--------------------------|-------------------------------------|--------------------|-------------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and legacies | 3 | 3,407,845 | 1,974,076 | - | 5,381,920 | 7,736,319 |
| Charitable activities | 4 | 821,958 | 1,359 | - | 823,317 | 1,523,423 |
| Other trading activities | 5 | 509,118 | 71,971 | - | 581,089 | 1,520,457 |
| Investment income | 6 | 149,930 | - | - | 149,930 | 151,873 |
| Other income | 7 | 727,479 | 247,815 | - | 975,294 | 54,079 |
| Trading income | 8 | | | 840,790 | 840,790 | 1,432,833 |
| Total | | <u>5,616,329</u> | <u>2,295,221</u> | <u>840,790</u> | <u>8,752,340</u> | <u>12,418,984</u> |
| EXPENDITURE ON | | | | | | |
| Raising funds | 9 | 4,301,653 | 978,356 | - | 5,280,009 | 5,298,214 |
| Charitable Activities | | | | | - | - |
| Festival | | 24,144 | - | - | 24,144 | 268,378 |
| Books | | 530,133 | - | - | 530,133 | 440,745 |
| Education | | 52,538 | - | - | 52,538 | |
| Food for life | | 39,020 | - | - | 39,020 | |
| Trading activities | | | | | - | |
| Restaurant & catering | | 485,188 | - | - | 485,188 | 923,490 |
| Shops | | 147,836 | 128,863 | - | 276,700 | 112,897 |
| Trading expenses | 8 | - | - | 1,089,154 | 1,089,154 | 1,403,203 |
| Total resources expended | | <u>5,580,512</u> | <u>1,107,219</u> | <u>1,089,154</u> | <u>7,776,886</u> | <u>8,446,927</u> |
| Net incoming resources before transfers | | 35,817 | 1,188,002 | (248,364) | 975,454 | 3,972,057 |
| Transfer between funds | | - | - | - | - | - |
| Net incoming resources for the year | | 35,817 | 1,188,002 | (248,364) | 975,454 | 3,972,057 |
| Taxation | | | | - | - | 12,023 |
| Net income for the year | | 35,817 | 1,188,002 | (248,364) | 975,454 | 3,984,080 |
| Total funds brought forward | | <u>15,136,442</u> | <u>30,150,294</u> | <u>(221,827)</u> | <u>45,064,909</u> | <u>41,080,829</u> |
| Total funds carried forward | | <u>15,172,259</u> | <u>31,338,296</u> | <u>(470,191)</u> | <u>46,040,363</u> | <u>45,064,909</u> |

All the above amounts relate to continuing activities.

The notes on pages 22 to 41 form an integral part of these financial statements.

International Society for Krishna Consciousness Limited

Group Balance Sheet

As at 31 December 2020

| | | 2020 | | 2019 | |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 14 | | 44,445,737 | | 44,124,482 |
| Fixed asset investments | 15 | | <u>452,167</u> | | <u>452,167</u> |
| | | | 44,897,904 | | 44,576,649 |
| Current assets | | | | | |
| Stock | 17 | 610,974 | | 669,922 | |
| Debtors | 18 | 636,905 | | 1,600,816 | |
| Bank and cash | | <u>6,862,500</u> | | <u>2,684,424</u> | |
| | | 8,110,379 | | 4,955,162 | |
| Creditors: amounts falling due within one year | 19 | <u>(1,912,816)</u> | | <u>(1,779,961)</u> | |
| Net current assets | | | <u>6,197,563</u> | | <u>3,175,203</u> |
| Total assets less current liabilities | | | 51,095,467 | | 47,751,852 |
| Creditors: amounts falling due after more than one year | 20 | | <u>(5,055,104)</u> | | <u>(2,686,943)</u> |
| Net assets | | | <u>46,040,363</u> | | <u>45,064,909</u> |
| Funds | | | | | |
| Restricted income funds | 25 | | 31,338,296 | | 30,150,294 |
| Unrestricted income funds | | | | | |
| Designated funds | 25 | | 14,522,259 | | 14,486,442 |
| General funds | 25 | | 650,000 | | 650,000 |
| Profit and Loss | | | <u>(470,191)</u> | | <u>(221,827)</u> |
| | | | <u>46,040,363</u> | | <u>45,064,909</u> |

The financial statements were approved and authorised for issue by the board on _____ and signed on its behalf:

A W Howchin - Trustee

The notes on pages 22 to 41 form an integral part of these financial statements.

International Society for Krishna Consciousness Limited

Charity Balance Sheet

As at 31 December 2020

| | | 2020 | 2019 |
|--|-------|--------------------|--------------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible fixed assets | 14 | 40,329,499 | 39,528,132 |
| Fixed asset investments | 15 | 452,167 | 452,167 |
| | | <u>40,781,666</u> | <u>39,980,299</u> |
| Current assets | | | |
| Stock | 17 | 451,302 | 442,019 |
| Debtors | 18 | 454,147 | 675,102 |
| Bank and cash | | <u>4,271,582</u> | <u>1,297,543</u> |
| | | 5,177,031 | 2,414,664 |
| Creditors: amounts falling due within one year | 19 | <u>(6,088,386)</u> | <u>(5,557,279)</u> |
| Net current assets | | <u>(911,355)</u> | <u>(3,142,615)</u> |
| Net assets | | 39,870,311 | 36,837,684 |
| Creditors: amounts falling due after more than one year | 20 | <u>(4,828,525)</u> | <u>(2,412,470)</u> |
| Net assets | | <u>35,041,786</u> | <u>34,425,214</u> |
| Funds | 25 | | |
| Restricted income funds | | 28,463,465 | 27,831,060 |
| Unrestricted income funds | | <u>6,578,321</u> | <u>6,594,154</u> |
| Total funds | | <u>35,041,786</u> | <u>34,425,214</u> |

The financial statements were approved and authorised for issue by the board on _____ and signed on its behalf:

A W Howchin - Trustee

The notes on pages 22 to 41 form an integral part of these financial statements.

International Society for Krishna Consciousness Limited

Group cash flow statement

for the year ended 31 December 2020

| | 2020 | (As restated) 2019 |
|---|--------------------|-----------------------|
| | £ | £ |
| Cash flows from operating activities: | | |
| Cash Generated from operations (Note 1) | 2,957,836 | 4,820,729 |
| Net cash provided by (used in) operating activities | 2,957,836 | 4,820,729 |
| Cash flows from investing activities: | | |
| Purchase of tangible fixed assets | (1,797,448) | (8,504,958) |
| Purchase of fixed asset investments | - | - |
| Sale of tangible assets | 340,095 | |
| Sale of fixed asset investments | - | - |
| Net Cash provided by (used in) investing activities | (1,457,353) | (8,504,958) |
| Cash flows from financing activities | | |
| Bank loans raised (external) | 3,200,000 | 1,310,725 |
| Interest paid | (82,768) | (61,535) |
| Repayment of bank loan (external) | (439,639) | (25,527) |
| Net Cash Flow from financing activities | 2,677,593 | 1,223,663 |
| Change in cash and cash equivalents in the reporting period | 4,178,076 | (2,460,566) |
| Cash and cash equivalents at the beginning of the reporting period | 2,684,424 | 5,144,990 |
| Cash and cash equivalents at the end of the reporting period | 6,862,500 | 2,684,424 |

Note 1: Reconciliation of net income to net cash flow from operating activities

| | | |
|--|------------------|------------------|
| Net income for the reporting period (as per the statement of financial activities) | 975,454 | 3,984,080 |
| Adjustments for: | | |
| Depreciation charges | 878,299 | 782,778 |
| Bad debts/other adjustments to debtors | 582,648 | |
| (Profit)/Loss on disposal of fixed assets | 253,370 | 11,034 |
| Interest paid | 82,768 | 61,535 |
| Other movements | 4,431 | (3,990) |
| (Increase)/decrease in stock | 58,948 | (140,537) |
| (Increase)/decrease in debtors | 381,262 | 56,035 |
| Increase/(decrease) in creditors | (259,345) | 69,794 |
| Net cash provided by (used in) operating activities | 2,957,836 | 4,820,729 |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

1. CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Oak House,
1 Watford Road,
Radlett,
Hertfordshire,
WD7 8LA

1.1 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

International Society For Krishna Consciousness Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The functional and presentational currency is GBP Sterling (£), being the currency of the primary economic environment in which the charity operates in. The amounts are presented rounded to the nearest pound.

1.2 CONSOLIDATION

The financial statements consolidate the financial statements of the Charity, and its subsidiary undertakings, all made up to 31 December. All intra-group balances and transactions during the year have been eliminated. These financial statements of the subsidiaries have been consolidated on a line by line basis and the results of the main trading subsidiary is presented in Note 5. No separate SOFA has been presented for the Charity alone as permitted by the exemption afforded by section 408 of the Companies Act 2006.

The charity has taken advantage of the exemption under section 405 subsection (3) of the Companies Act 2006 and not consolidated its subsidiary company, Sanctuary Hospitality Private Limited, a company registered in India and a 49% associate company, Govinda's Foods Limited, a company registered in England. The subsidiary is excluded from consolidation as it is considered that its inclusion is not material for the purpose of giving a true and fair view and the information necessary for consolidation cannot be obtained without undue delay. The net assets and results of the subsidiary and the associate company are disclosed in Note 13.1.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

1.3 GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity. Though the charity's activities and fund raising capabilities have reduced as a result of Covid-19, the charity was still able to raise sufficient funds to meet its expenditure needs. The trustees also do not believe the pandemic will have a long term impact on the charity. As such, these financial statements have been prepared on a going concern basis.

1.4 FUND ACCOUNTING

General funds are unrestricted funds which represent the accumulated surplus of income over expenditure and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purpose.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. The aim and purpose of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds of the charity restricted for specific purposes being undertaken by the charity. The cost of raising and administering such funds are charged against the specific fund.

1.5 INCOMING RESOURCES

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and grants are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

In response to the Covid-19 pandemic, the charity took advantage of the Coronavirus Job Retention Scheme which resulted in the LLP receiving a government grant to cover salary costs of a number of employees. The receipts of these funds are recognised in the Statement of Financial Activity within other income.

The charity also received several Covid-19 relief grants, which were announced by the government to assist charities and businesses with their cash flow during the Covid-19 pandemic. These grants are not repayable.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

1.5 INCOMING RESOURCES (cont.)

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance for a future fundraising event or for a grant received relating to the following year are deferred until the criteria for income recognition are met.

1.6 RESOURCES EXPENDED AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings.

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies and costs of fundraising activities.

Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support in furthering the purposes of the charity and their associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.7 TAXATION

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recorded at cost, and subsequently held at historic cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

| | |
|----------------------------------|--|
| Freehold buildings | 5% on straight line |
| Leasehold properties | Straight line over the life of the lease |
| Fixtures, fittings and equipment | 20% on straight line |
| Motor vehicles | 25% on reducing balance |

1.9 FIXED ASSET INVESTMENTS

Investment in equity shares in subsidiary undertakings, which are not publically traded and where fair value cannot be measured reliably, are measured at cost less accumulated impairment.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.12 CREDITORS

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 PENSIONS AND OTHER POST RETIREMENT OBLIGATIONS

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

1.14 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 LEASING

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

1.16 DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

2 FINANCIAL PERFORMANCE OF THE CHARITY

| | 2020 | 2019 |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Total income | 3,123,173 | 7,520,282 |
| Total expenditure | (2,506,601) | (1,908,805) |
| Net income | 616,572 | 5,611,477 |
| Transfer of funds | - | - |
| Total funds brought forward | 34,425,214 | 28,813,737 |
| Total funds carried forward | 35,041,786 | 34,425,214 |
| Represented by: | | |
| Restricted income funds | 28,463,465 | 27,831,060 |
| Unrestricted income funds | 6,578,321 | 6,594,154 |
| Total funds carried forward | 35,041,786 | 34,425,214 |

3 DONATIONS AND LEGACIES (GROUP)

| | Unrestricted funds | Restricted funds | 2020 Total | (As restated) 2019 Total |
|-----------|--------------------|------------------|------------------|--------------------------|
| | £ | £ | £ | £ |
| Donations | 3,407,845 | 1,974,076 | 5,381,920 | 7,736,319 |
| | <u>3,407,845</u> | <u>1,974,076</u> | <u>5,381,920</u> | <u>7,736,319</u> |

The comparative information for 2019 has been restated to better reflect the nature of the funds received. The 2019 grant income (£54,079), previously disclosed as donations, has been reclassified to other income (refer to note 7).

Further, the 2019 donations have been restated from £7,947,260 to £7,682,240. The following amounts have been reclassified to the following categories under charitable activities; £76,618 to Food for Life, £69,981 to Festivals and £79,308 to Sankirtan and other fundraising activities. In addition, £26,682 has been reclassified to investment income, for amounts received from property rental income and £12,431 (included as investment income, note 6) has been reclassified to Shop Income (included as trading income, note 5).

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

4 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds | Restricted funds | 2020 Total | (As restated) 2019 Total |
|--------------------------|-----------------------|---------------------|----------------|--------------------------------|
| | £ | £ | £ | £ |
| Festivals and Rathayatra | 98,429 | - | 98,429 | 324,443 |
| Books | 615,029 | - | 615,029 | 1,028,239 |
| Food for life | 59,884 | - | 59,884 | 76,618 |
| Education and training | 48,616 | 1,359 | 49,975 | 94,123 |
| | <u>821,958</u> | <u>1,359</u> | <u>823,317</u> | <u>1,523,423</u> |

The comparative information for 2019, which was previously disclosed as income from other trading activities has been reclassified to income from charitable activities, to better reflect the nature of the funds received. The 2019 amounts, originally amounting to £1,297,516, have been adjusted for the reclassifications as mentioned in note 3 above (amounting to £225,907).

5 OTHER TRADING ACTIVITIES (INCOME)

| | Unrestricted funds | Restricted funds | 2020 Total | (As restated) 2019 Total |
|-------------------------|-----------------------|---------------------|----------------|--------------------------------|
| | £ | £ | £ | £ |
| Shop income | 83,105 | - | 83,105 | 197,394 |
| Restaurant and catering | 213,751 | - | 213,751 | 954,785 |
| Other activities | 212,262 | 71,971 | 284,233 | 368,278 |
| | <u>509,118</u> | <u>71,971</u> | <u>581,089</u> | <u>1,520,457</u> |

The comparative information for 2019, has been restated from £2,805,542 to £1,508,025 to better reflect the nature of the funds received. £1,297,516 has been reclassified to income from charitable activities (refer to note 4). Further, Shop income has been restated from £132,256 to £197,393 and Restaurant and catering income has been restated from £1,007,492 to £954,785.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

6 INVESTMENT INCOME

| | Unrestricted funds | Restricted funds | 2020 Total | (As restated) 2019 Total |
|--|--------------------|------------------|----------------|--------------------------|
| | £ | £ | £ | £ |
| Charitable letting of non- investment property | 149,774 | - | 149,774 | 151,653 |
| Bank interest | 156 | - | 156 | 220 |
| | <u>149,930</u> | <u>-</u> | <u>149,930</u> | <u>151,873</u> |

The comparative information for income from charitable letting of non- investment property, has been restated from £124,971 to £151,653 to better reflect the nature of the funds received, as explained in note 3.

7 OTHER INCOME

| | Unrestricted funds | Restricted funds | 2020 Total | (As restated) 2019 Total |
|-------------------|--------------------|------------------|----------------|--------------------------|
| | £ | £ | £ | £ |
| Government grants | 727,479 | 247,815 | 975,294 | 54,079 |
| | <u>727,479</u> | <u>247,815</u> | <u>975,294</u> | <u>54,079</u> |

Grants received, included in the above, are as follows:

Coronavirus Job Retention Scheme (CJRS) - £673,595 (2019: £Nil); Covid Relief Grants awarded by local councils and other bodies - £241,608 (2019: £Nil); Education grants - £38,757 (2019: £54,079); Business Rates relief - £21,334 (2019: £Nil).

8 TRADING INCOME/EXPENSES

| | Group | |
|--------------------------------|------------------|------------------|
| | 2020 | 2019 |
| | £ | £ |
| Turnover | <u>840,790</u> | <u>1,455,182</u> |
| Cost of sales | 255,623 | 457,905 |
| Staff costs | 564,906 | 630,522 |
| Other administrative expenses | 156,896 | 129,282 |
| Depreciation | <u>111,729</u> | <u>118,895</u> |
| | 1,089,154 | 1,336,604 |
| Net (Loss)/income from trading | <u>(248,364)</u> | <u>118,578</u> |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

9 RAISING FUNDS

Raising donations and legacies

| | Unrestricted funds | Restricted funds | 2020 Total | 2019 Total |
|----------------------------------|-----------------------|---------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Staff costs | 1,196,413 | 27,280 | 1,223,693 | 1,191,481 |
| Rent, rates and insurance | 211,060 | | 211,060 | 232,825 |
| Premises insurance | 124,787 | | 124,787 | 94,444 |
| Light and heat | - 2,837 | | - 2,837 | 68,838 |
| Telephone | 31,243 | | 31,243 | 35,243 |
| Postage and stationery | 87,572 | 1,100 | 88,672 | 162,078 |
| Sundries | 39,717 | | 39,717 | 11,874 |
| Adjustment to Debtors* | 582,648 | | 582,648 | - |
| Purchases | 260,487 | | 260,487 | 187,689 |
| Carriage | | | - | 4,246 |
| Gifts & samples | 2,203 | | 2,203 | 430 |
| Literature & brochures | 14,064 | | 14,064 | 13,011 |
| Devotee maintenance | 57,023 | | 57,023 | 80,985 |
| Computer costs | 11,000 | | 11,000 | 25,440 |
| Repairs & maintenance | 124,318 | 127,916 | 252,234 | 274,497 |
| Travelling | 85,299 | 51 | 85,350 | 177,060 |
| Motor expenses | 39,178 | | 39,178 | 93,635 |
| Professional fees | 221,697 | 26 | 221,723 | 391,035 |
| Hire of equipment | 94,018 | | 94,018 | 173,901 |
| Office machine maintenance | 9,844 | | 9,844 | 20,882 |
| Bhoga consumptions | 176,316 | 56,814 | 233,130 | 360,476 |
| Training | 5,374 | 600 | 5,974 | 31,412 |
| Flowers and decorations | 31,991 | | 31,991 | 48,350 |
| Cleaning and disposables | 47,812 | | 47,812 | 92,878 |
| Donations | 253,329 | 86,425 | 339,754 | 455,684 |
| Other costs | - 1,581 | | - 1,581 | 162,167 |
| Support costs (refer to note 10) | 598,682 | 678,144 | 1,276,825 | 907,653 |
| | <u>4,301,653</u> | <u>978,356</u> | <u>5,280,009</u> | <u>5,298,214</u> |

*Adjustment to Debtors

As at 31 December 2019 Hindu Education Authority Limited, a company and a charity working within the education sector owed £582,648 to ISKCON Bhaktivedanta Manor Limited. During the year, the trustees have agreed to write this balance off, as they deem it not to be recoverable. Hindu Education Authority Limited is related by virtue of having common directors/trustees.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

10 SUPPORT COSTS

| | Unrestricted funds | Restricted funds | 2020 Total | 2019 |
|--|-----------------------|---------------------|------------------|----------------|
| Raising funds | £ | £ | £ | £ |
| Other costs | 1,930 | | 1,930 | 40,371 |
| Auditor's remuneration | 32,000 | | 32,000 | 38,764 |
| VAT Irrecoverable | 23,579 | 81,450 | 105,029 | 65,656 |
| Loss or loss on disposal | 107,940 | 145,431 | 253,370 | 11,034 |
| Depreciation freehold property | 132,161 | 400,237 | 532,398 | 451,229 |
| Depreciation leasehold property | 164,614 | | 164,614 | 171,162 |
| Depreciation charge - motor vehicles | 37,938 | | 37,938 | 17,992 |
| Depreciation charge - Furniture and fittings | 31,620 | | 31,620 | 23,499 |
| Bank charges and interest | 66,900 | 51,026 | 117,926 | 87,946 |
| | <u>598,682</u> | <u>678,144</u> | <u>1,276,825</u> | <u>907,653</u> |

11 NET INCOME/(EXPENDITURE)

Net income/(expenditure) re Group is stated after charging/(crediting):

| | 2020 | 2019 |
|-----------------------------|----------|----------|
| | £ | £ |
| Auditors' remuneration | 32,000 | 38,764 |
| Depreciation - owned assets | 878,299 | 663,882 |
| | <u>-</u> | <u>-</u> |

12 TRUSTEES' REMUNERATION AND BENEFITS

| | 2020 | 2019 |
|-----------------------------------|---------------|---------------|
| | £ | £ |
| Remuneration and other emoluments | <u>29,980</u> | <u>29,980</u> |

During the year, a trustee (Mr A Howchin) received a salary from the charity. Other than this, no other trustee of ISKCON Limited, nor any persons connected with them, have received any remuneration from the charity during the year. The remuneration of the trustees of ISKCON Bhaktivedanta Manor Limited and ISKCON London, have been disclosed in those financial statements.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

13 STAFF COSTS

| | 2020 | 2019 |
|-----------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 2,236,382 | 2,281,952 |
| Social security costs | 123,696 | 120,166 |
| Pensions | <u>39,936</u> | <u>29,901</u> |
| | <u><u>2,400,014</u></u> | <u><u>2,432,019</u></u> |

The average monthly numbers of employees (including the Trustees) during the year were as follows:

| | 2020 | 2019 |
|------------------------|-------------------|-------------------|
| Direct Charitable Work | 146 | 149 |
| Administrative | <u>24</u> | <u>26</u> |
| | <u><u>170</u></u> | <u><u>175</u></u> |

No employee received emoluments in excess of £60,000.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

14 TANGIBLE FIXED ASSETS

(a) Group

| | Freehold Land and buildings £ | Long leasehold property £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|--------------------------|--|------------------------------------|---|------------------------|-------------------|
| Cost or valuation | | | | | |
| At 1 January 2020 | 41,074,703 | 6,329,880 | 1,552,243 | 366,961 | 49,323,787 |
| Additions | 1,627,339 | - | 65,328 | 104,781 | 1,797,448 |
| Disposals | (533,599) | (12,289) | (528,555) | (172,917) | (1,247,360) |
| At 31 December 2020 | <u>42,168,443</u> | <u>6,317,591</u> | <u>1,089,016</u> | <u>298,825</u> | <u>49,873,875</u> |
| Depreciation | | | | | |
| At 1 January 2020 | 2,638,391 | 937,071 | 1,353,771 | 270,072 | 5,199,305 |
| Charge for the year | 532,398 | 219,913 | 78,043 | 47,945 | 878,299 |
| Eliminated on disposal | (103,940) | 150,383 | (534,047) | (161,862) | (649,466) |
| At 31 December 2020 | <u>3,066,849</u> | <u>1,307,367</u> | <u>897,767</u> | <u>156,155</u> | <u>5,428,138</u> |
| Net book values | | | | | |
| At 31 December 2020 | <u>39,101,594</u> | <u>5,010,224</u> | <u>191,249</u> | <u>142,670</u> | <u>44,445,737</u> |
| At 31 December 2019 | <u>38,436,312</u> | <u>5,392,809</u> | <u>198,472</u> | <u>96,889</u> | <u>44,124,482</u> |

(b) Charity

| | £ | £ | £ | £ | £ |
|--------------------------|-------------------|------------------|----------------|---------------|-------------------|
| Cost or valuation | | | | | |
| At 1 January 2020 | 40,246,252 | 2,364,000 | 240,865 | 42,280 | 42,893,397 |
| Additions | 1,887,649 | - | 56,594 | 15,190 | 1,959,433 |
| Disposals | (533,601) | - | (22,050) | (2,853) | (558,504) |
| At 31 December 2020 | <u>41,600,300</u> | <u>2,364,000</u> | <u>275,409</u> | <u>54,617</u> | <u>44,294,326</u> |
| Depreciation | | | | | |
| At 1 January 2020 | 2,583,093 | 519,624 | 227,786 | 34,762 | 3,365,265 |
| Charge for the year | 532,398 | 118,200 | 16,024 | 5,985 | 672,607 |
| Eliminated on disposal | (48,642) | - | (21,484) | (2,919) | (73,045) |
| At 31 December 2020 | <u>3,066,849</u> | <u>637,824</u> | <u>222,326</u> | <u>37,828</u> | <u>3,964,827</u> |
| Net book values | | | | | |
| At 31 December 2020 | <u>38,533,451</u> | <u>1,726,176</u> | <u>53,083</u> | <u>16,789</u> | <u>40,329,499</u> |
| At 31 December 2019 | <u>37,663,159</u> | <u>1,844,376</u> | <u>13,079</u> | <u>7,518</u> | <u>39,528,132</u> |

The Group and Charity had capital commitments of £404,761 as at 31 December 2020 (2019: £1,531,297).

Included within the group's net book value of freehold land and buildings above is £31,244,342 (stand alone charity: £30,865,580) in respect of land, which is not subject to depreciation.

Both the properties included in "Freehold Land and Buildings" and "Leasehold Property" are used as security against the group's loans (refer to note 23).

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

15 FIXED ASSET INVESTMENTS

| | Unlisted investments £ | Totals £ |
|-----------------------|------------------------------|----------------|
| (a) Group | | |
| MARKET VALUE | | |
| At 1 January 2020 | 452,167 | 452,167 |
| Additions | - | - |
| Disposals | - | - |
| At 31 December 2020 | <u>452,167</u> | <u>452,167</u> |
| NET BOOK VALUE | | |
| At 31 December 2020 | <u>452,167</u> | <u>452,167</u> |
| At 31 December 2019 | <u>452,167</u> | <u>452,167</u> |
| (b) Charity | | |
| MARKET VALUE | | |
| At 1 January 2020 | 452,167 | 452,167 |
| Additions | - | - |
| Disposals | - | - |
| At 31 December 2020 | <u>452,167</u> | <u>452,167</u> |
| NET BOOK VALUE | | |
| At 31 December 2020 | <u>452,167</u> | <u>452,167</u> |
| At 31 December 2019 | <u>452,167</u> | <u>452,167</u> |

The unlisted investments represent long term deposit bank accounts, stocks and shares.

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

16 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following subsidiaries.

Govindas Food Limited

Country of incorporation: England and Wales

Nature of business: Restaurant and catering

Class of share: % holding
Ordinary 49

| | 2020 | 2019 |
|--------------------------------|-----------------|-----------------|
| | £ | £ |
| Aggregate capital and reserves | (221,175) | (179,389) |
| (Loss) for the year | <u>(47,786)</u> | <u>(40,238)</u> |

Sanctuary Hospitality Private Limited

Country of incorporation: India

Nature of business: Hospitality

Class of share: % holding
Ordinary 99

| | 2020 | 2019 |
|--------------------------------|--------------|-----------|
| | £ | £ |
| Aggregate capital and reserves | 438,652 | 481,396 |
| Profit (Loss) for the year | <u>1,493</u> | <u>30</u> |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

17 STOCKS

| | Group | | Charity | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Finished goods and goods for resale | <u>610,974</u> | <u>669,922</u> | <u>451,302</u> | <u>442,019</u> |

18 DEBTORS

| | Group | | Charity | |
|---------------------------------|----------------|------------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade debtors | 26,797 | 178,860 | 21,239 | 230,864 |
| Other debtors | 489,426 | 1,213,454 | 196,935 | 378,488 |
| Amounts owed by group companies | 40,000 | - | 221,760 | - |
| Prepayments | 47,065 | 122,527 | 9,850 | 13,391 |
| Deferred tax asset | 33,617 | 33,617 | - | - |
| VAT | - | 52,359 | 4,363 | 52,359 |
| | <u>636,905</u> | <u>1,600,816</u> | <u>454,147</u> | <u>675,102</u> |

19 CREDITORS: amounts falling due within one year

| | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Bank loan | 533,167 | 140,967 | 498,528 | 140,967 |
| Trade creditors | 766,912 | 890,643 | 656,658 | 734,742 |
| Amounts owed to group companies | - | - | 4,564,341 | 4,321,853 |
| Taxation and social security creditors | 8,558 | 37,371 | (1,018) | (1,397) |
| VAT | 29,056 | 74,343 | - | - |
| Other creditors | 498,459 | 596,991 | 361,287 | 354,097 |
| Accruals and deferred income | 76,664 | 39,646 | 8,589 | 7,017 |
| | <u>1,912,816</u> | <u>1,779,961</u> | <u>6,088,385</u> | <u>5,557,279</u> |

International Society for Krishna Consciousness Limited

**Notes to the financial statements
for the year ended 31 December 2020**

20 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | | Charity | |
|--------------------------|------------------|------------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Bank loans (see note 19) | 5,055,104 | 2,686,943 | 4,828,525 | 2,412,470 |
| | <u>5,055,104</u> | <u>2,686,943</u> | <u>4,828,525</u> | <u>2,412,470</u> |

21 ANALYSIS OF NET ASSETS AND LIABILITIES BETWEEN FUNDS

| | Unrestricted general funds | Unrestricted revaluation reserve | Restricted Funds | Group Total |
|-----------------------|---------------------------------------|---|-----------------------------|--------------------|
| | £ | £ | £ | £ |
| Tangible fixed assets | 12,983,065 | - | 31,462,672 | 44,445,737 |
| Investment assets | 452,167 | - | - | 452,167 |
| Current assets | 3,414,917 | - | 4,695,462 | 8,110,379 |
| Current liabilities | (1,445,868) | - | (466,948) | -1,912,816 |
| Long-term liabilities | <u>(702,215)</u> | <u>-</u> | <u>(4,352,889)</u> | <u>-5,055,104</u> |
| | <u>14,702,067</u> | <u>-</u> | <u>31,338,296</u> | <u>46,040,363</u> |

ANALYSIS OF NET ASSETS AND LIABILITIES BETWEEN FUNDS - PREVIOUS YEAR

| | Unrestricted general funds | Unrestricted revaluation reserve | Restricted Funds | Group Total |
|-----------------------|---------------------------------------|---|-----------------------------|--------------------|
| | £ | £ | £ | £ |
| Tangible fixed assets | 12,800,102 | - | 30,462,085 | 43,262,187 |
| Investment assets | 452,167 | - | - | 452,167 |
| Current assets | 4,604,668 | - | 350,495 | 4,955,163 |
| Current liabilities | (1,779,961) | - | - | (1,779,961) |
| Long-term liabilities | <u>(2,024,657)</u> | <u>-</u> | <u>(662,286)</u> | <u>(2,686,943)</u> |
| | <u>14,052,320</u> | <u>-</u> | <u>30,150,294</u> | <u>44,202,614</u> |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

22 LOANS

An analysis of the maturity of loans is given below:

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>533,167</u> | <u>140,967</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments: | | |
| Bank loans repayable within 2-5 years | 1,996,374 | 292,516 |
| Bank loans more than 5 years by instalments | <u>3,058,730</u> | <u>2,394,427</u> |

23 SECURED DEBTS

The following secured debts are included within creditors:

| | 2020 | 2019 |
|------------|------------------|------------------|
| | £ | £ |
| Bank Loans | <u>5,505,878</u> | <u>2,686,943</u> |

Bank Loan and Overdraft are secured by a fixed and floating charge over the properties owned by the charity.

24 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

| | 2020 | 2019 |
|-------------------|----------|---------------|
| | £ | £ |
| Payable | | |
| Under one year | 29,900 | 71,760 |
| Between 2-5 years | <u>-</u> | <u>29,900</u> |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

25 ANALYSIS OF CHARITABLE FUNDS - GROUP

ANALYSIS OF MOVEMENTS IN UNRESTRICTED FUNDS

| | At 1 January 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Profit or (losses) £ | At 31 December 2020 £ |
|------------------------------|------------------------------|----------------------------|----------------------------|----------------|----------------------------|--------------------------------|
| Designated and General funds | 15,136,442 | 5,616,329 | (5,580,512) | - | - | 15,172,259 |
| Profit and loss account | (221,827) | - | - | - | (248,364) | (470,191) |
| | <u>14,914,615</u> | <u>5,616,329</u> | <u>(5,580,512)</u> | <u>-</u> | <u>(248,364)</u> | <u>14,702,068</u> |

The above unrestricted funds of £14,702,068 (2019: £14,914,615) reserves are accumulated over previous years in the course of the charity having carried out its activities.

ANALYSIS OF MOVEMENTS IN UNRESTRICTED FUNDS - PREVIOUS YEAR

| | At 1 January 2019 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Profit or (losses) £ | At 31 December 2019 £ |
|-------------------------|------------------------------|----------------------------|----------------------------|----------------|----------------------------|--------------------------------|
| General funds | 10,620,101 | 10,724,664 | (6,208,323) | - | - | 15,136,442 |
| Profit and loss account | (263,480) | - | - | - | 41,653 | (221,827) |
| Revaluation Reserve | - | - | - | - | - | - |
| | <u>10,356,621</u> | <u>10,724,664</u> | <u>(6,208,323)</u> | <u>-</u> | <u>41,653</u> | <u>14,914,615</u> |

ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS

| | At 1 January 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Profit or (losses) £ | At 31 December 2020 £ |
|------------------|------------------------------|----------------------------|----------------------------|----------------|----------------------------|--------------------------------|
| Restricted funds | <u>30,150,294</u> | <u>2,295,221</u> | <u>(1,107,219)</u> | <u>-</u> | <u>-</u> | <u>31,338,296</u> |

The restricted funds of £31,338,296 represents 'Freehold Revaluation' of £18,676,952 (2019: £18,750,010) and 'Capital Funds' of £12,661,344 (2019: £11,400,284). The revaluation reserve has been accumulated over the years based upon independent valuations carried out of the freehold properties which are being used by the charity in the normal course of carrying out its activities. This does not represent cash reserves.

ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS - PREVIOUS YEAR

| | At 1 January 2019 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Profit or (losses) £ | At 31 December 2019 £ |
|------------------|------------------------------|----------------------------|----------------------------|----------------|----------------------------|--------------------------------|
| Restricted funds | <u>30,724,208</u> | <u>261,487</u> | <u>(835,401)</u> | <u>-</u> | <u>-</u> | <u>30,150,294</u> |

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

| | | |
|-----------|---|-------------------|
| 26 | ANALYSIS OF CHARITABLE FUNDS - continued | £ |
| | UNRESTRICTED INCOME FUNDS - DESIGNATED | |
| | Redundancy & Contingency Fund | 1,577,913 |
| | Improvements to private road | 500,000 |
| | Improvements to Grade II Listed Building (Manor) | 1,750,000 |
| | Educational Contingency Fund | 400,000 |
| | Marketing and Promotion | 500,000 |
| | Furniture & Fixtures replacements | 200,000 |
| | Rebuilding of Barn (following fire) - Emergency Fund for the Goshala (Cow shelter). | 300,000 |
| | Development of new ISKCON Independent Primary School (Capital Costs) | 750,000 |
| | Maintenance of the Gardens at various sites | 500,000 |
| | Farming improvements in compliance with improved eco system | 500,000 |
| | Literature Distribution | 100,000 |
| | Holding Public Festivals such as Janmastmi (celebration of Lord Krishna's | 500,000 |
| | Free Distribution and Promotion of sanctified vegetarian food (prasadam) - | 99,082 |
| | Food for Life | |
| | Training in religious practices and providing pastoral care and encouraging | 250,000 |
| | Outreach activities such as visits to parts of Africa and retreats. | 100,000 |
| | Other charitable projects | 6,495,264 |
| | | 14,522,259 |
| | UNRESTRICTED INCOME FUNDS - GENERAL | |
| | Working Capital for day to day activities | 650,000 |

27 TAXATION

The company is limited by guarantee and a registered charity. The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The tax charge (credit) on the profit for the year (In Bhaktivedanta Manor Limited) was as follows:

| | 2020 | 2019 |
|--------------|-------------|-------------|
| | £ | £ |
| Deferred tax | - | (12,023) |

28 PENSION

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £39,936 (2019 - £29,901). Contributions payable by the group to the scheme in 2020 total £6,898 (2019: £8,327).

International Society for Krishna Consciousness Limited

Notes to the financial statements for the year ended 31 December 2020

29 COMPANY LIMITED BY GUARANTEE

International Society for Krishna Consciousness Limited, International Society for Krishna Consciousness London and International Society for Krishna Consciousness Bhaktivedanta Manor Limited, are companies limited by guarantee and accordingly do not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

30 REGROUPING OF FIGURES

The previous year's figures have been regrouped wherever necessary in order to confirm with current year.