

Charity number: 268913

THE BLAVATSKY TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

THE BLAVATSKY TRUST

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THE BLAVATSKY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2021

Trustees	Ms J M Houlton Mr R Kitto Mr J A Finchett-Maddock Mr C F Price
Charity registered number	268913
Registered office	2nd Floor Springfield House Springfield Road Horsham West Sussex RH12 2RG
Independent Examiner	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	NatWest Bank plc 1 Bridge Road Leatherhead Surrey KT22 8BT

THE BLAVATSKY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their annual report together with the financial statements of the Charity for the 6 April 2020 to 5 April 2021.

Objectives and activities

a. Policies and objectives

The principal object of the Trust is to advance education in and promote the study or research of religion, philosophy and science and to disseminate the results of such study and research to the public.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

b. Activities undertaken to achieve objectives

The Trust continues to achieve its objectives of furthering the education and study of Theosophy by supporting the Copenhagen Centre for the Study of Theosophy and Esotericism, part of the Department of Cross-Cultural and Regional Studies at the University of Copenhagen. At present it funds the post of Assistant Professor and co-finances a PhD candidate.

Post-graduate research work is funded at the University of Haifa in Israel, and also a MRes candidate at the University of Wales, Lampeter.

The Trust continues to sponsor the European School of Theosophy, together with its media publications. The School has, throughout this year, provided a full programme of online events, virtually all of which have been available to the public. The work of the school also includes the running of the International Theosophical History Conference.

The Trust continues to run its own informative website which gives an introduction to Theosophy.

Achievements and performance

a. Key performance indicators

The Trust is reliant on its income from investments held with CCLA, which totalled £80,884 for the year (2020 - £90,110).

A total sum of £167,944 (2020 - £131,844) was spent on Charitable Activities in the year. The increase relates to an increase in grants awarded for education and educational institutions compared to previous years.

The Trust has made an overall net surplus of £244,618 (2020 - net deficit £155,237). This is due to the increase in the investment portfolio valuation at 5 April 2021.

THE BLAVATSKY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

Achievements and performance (continued)

b. Review of activities

The Trust maximised the funds invested in securities in the year. The Trustees are of the opinion that the Trust's assets are adequate to fulfil the obligations of the Charity. The cash received from a property sale and large legacy in 2005 has been placed in fixed asset investments which continue to generate investment to help fund the charity's objectives.

The Trust has plans to increase its grants significantly with the raising of the level of support for the Copenhagen Centre for the Study of Theosophy and Esotericism at the University of Copenhagen. In March 2022 it is planned that this will become a full Chair/Professorship, and will continue to include the co-funding of a PhD post (March 2020 to March 2023).

Post-graduate research work will continue to be funded by the Trust, both at the University of Haifa in Israel, and also the MRes candidate at the University of Wales, Lampeter.

The Trust continues its support of the European School of Theosophy, which has operated mainly online this past year, but which we hope will also be able to hold a face-to-face conference in October 2022. The International Theosophical History Conference, organised by the School will this year (October 2021) be held online, but again, in the future it is hoped that meetings can be resumed, dates and locations to be arranged.

Peace Mala will again be supported this year with the publication of a small book for children about the life of the co-founder of the modern Theosophical movement, H.P. Blavatsky.

The trustees approve the grants made by the Trust.

c. Investment policy and performance

The Trustees' policy is to invest in a wide range of investments to ensure the capital of the Trust is maintained. While the impact of Covid 19 has been assessed, the investment portfolio has recovered in the year compared to the value at the end of the 2020 financial year end. However if there is a decrease in income, the capital of the Trust will need to be drawn on to fulfil its planned activities.

The Trustees have elected to hold the investments in accumulated pooled investment and property funds. Details are included in the notes to these financial statements.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have reviewed the impact of COVID-19 on the investment portfolio and believe the charity has adequate resources for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Trust's reserve policy is to maintain general unrestricted reserves which are neither allowed to become excessive as a result of the unjustifiable accumulation of income nor so low as to be inadequate to meet the grant making objectives. The Trust aims to maintain adequate funds to ensure the smooth running of the Charity and the continual funding of advancement in Theosophical education.

THE BLAVATSKY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

Structure, governance and management

a. Constitution

The Blavatsky Trust is a registered charity (number 268913), and is governed by a Trust Deed dated 15 November 1974 as amended by a deed of variation dated 18 November 1992 and deed of amendment dated 26 July 2018.

b. Methods of appointment or election of Trustees

New Trustees are appointed on a unanimous decision of the existing Managing Trustees. The number of Trustees should not be fewer than 3 or more than 7.

The recruitment of potential new Trustees is discussed at the Trustee meetings and once a suitable candidate has been identified, he/she is invited to meet the Chairman. Once all of the Trustees are satisfied, the appointment as Trustee is confirmed in writing. The new Trustee is given documentation relating to their responsibilities under Charity Law, a copy of the Governing Document and most recent Trustees' Report and Annual Financial Statements. There is no formal induction programme for new Trustees. Periodic assessments by the Trustees of their duties has led to further training or meetings with advisors if necessary.

c. Reserves policy, risk management and internal control

The Trust's reserve policy is to maintain general unrestricted reserves which are neither allowed to become excessive as a result of the unjustifiable accumulation of income nor so low as to be inadequate to meet the grant making objectives. The Trust aims to maintain adequate funds to ensure the smooth running of the Charity and the continual funding of advancement in Theosophical education.

The Trustees have a risk management strategy which includes an ongoing review of the major risks the Trust may face and the establishment of systems and procedures to mitigate those risks identified.

The key controls used by the Trustees include formal reporting of all operations and activities affecting the Trust, including formal agendas and minutes of meetings held. The Trust also engages external professional advisors to assist as and when necessary.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Ms J M Hoult
(Chair of Trustees)
Date: 13 October 2021

THE BLAVATSKY TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2021

Independent Examiner's Report to the Trustees of The Blavatsky Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2021.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 18 October 2021

J A Peach

FCA

Kreston Reeves LLP, Springfield House, Springfield Road, Horsham, West Sussex, RH12 2RG

THE BLAVATSKY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Charitable activities		1	1	10
Investments	2	80,884	80,884	90,110
Other income		997	997	9
Total income		81,882	81,882	90,129
Expenditure on:				
Charitable activities	4	167,944	167,944	131,844
Total expenditure		167,944	167,944	131,844
Net gains/(losses) on investments		330,680	330,680	(113,522)
Net movement in funds		244,618	244,618	(155,237)
Reconciliation of funds:				
Total funds brought forward		2,146,865	2,146,865	2,302,102
Net movement in funds		244,618	244,618	(155,237)
Total funds carried forward		2,391,483	2,391,483	2,146,865

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 13 form part of these financial statements.

THE BLAVATSKY TRUST

BALANCE SHEET AS AT 5 APRIL 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	7	2,347,393	2,066,713
		<u>2,347,393</u>	<u>2,066,713</u>
Current assets			
Cash at bank and in hand		46,490	82,947
		<u>46,490</u>	<u>82,947</u>
Creditors: amounts falling due within one year	8	(2,400)	(2,795)
		<u>(2,400)</u>	<u>(2,795)</u>
Net current assets		<u>44,090</u>	<u>80,152</u>
Total net assets		<u>2,391,483</u>	<u>2,146,865</u>
Charity funds			
Unrestricted funds	9	2,391,483	2,146,865
		<u>2,391,483</u>	<u>2,146,865</u>
Total funds		<u>2,391,483</u>	<u>2,146,865</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Ms J M Hoult
 (Chair of Trustees)
 Date: 13 October 2021

The notes on pages 8 to 13 form part of these financial statements.

THE BLAVATSKY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Blavatsky Trust 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.

No statement of cash flows has been provided as the charity is small under the Charities SORP (FRS 102).

The financial statements are presented in sterling and rounded to the nearest £1.

1.2 Going concern

The financial statements are prepared on a going concern basis as the Trustees consider that the Trust has adequate funds to meet its requirements. The Trustees have also considered the effects of COVID-19 and Brexit and have a reasonable expectation the Trust will continue in operational existence for the foreseeable future.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

1. Accounting policies (continued)

1.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.9 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.

1.10 Fund accounting

General funds are unrestricted funds which 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 purposes.

All income and expenditure relates to unrestricted funds.

THE BLAVATSKY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

2. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Unit Trust income	80,884	80,884	90,110
	<u> </u>	<u> </u>	<u> </u>
Total 2020	90,110	90,110	
	<u> </u>	<u> </u>	

3. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £	Total funds 2020 £
Grants to institutions	162,396	162,396	124,635
	<u> </u>	<u> </u>	<u> </u>
Total 2020	124,635	124,635	
	<u> </u>	<u> </u>	

The Charity has made the following material grants to institutions during the year:

	2021 £	2020 £
Name of institution		
Theosophical History Conference attendance bursary	-	400
Theosophical Society in England Conference, York	-	5,000
Support grant University of Wales MRes candidate	14,645	15,764
International Theosophical Conference research grant	-	1,714
University of Wales MRes fees	3,500	2,800
Peace Mala	-	1,077
University of Copenhagen, Funding the Copenhagen Centre for the Study of Theosophy and Esotericism	116,451	74,133
Post-doctoral research University of Tel Aviv	25,000	7,500
European School of Theosophy	2,800	16,247
	<u>162,396</u>	<u>124,635</u>
	<u> </u>	<u> </u>

THE BLAVATSKY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

4. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education and Study of Theosophy	3,819	162,396	1,729	167,944	131,844
	=====	=====	=====	=====	=====
Total 2020	3,777	124,635	3,432	131,844	
	=====	=====	=====	=====	

Analysis of direct costs

	Unrestricted 2021 £	Total funds 2021 £	Total funds 2020 £
Governance costs	3,819	3,819	3,777
	=====	=====	=====
Total 2020	3,777	3,777	
	=====	=====	

Analysis of support costs

	Unrestricted 2021 £	Total funds 2021 £	Total funds 2020 £
Website	1,661	1,661	1,556
Accommodation/conference/meeting expenses	68	68	1,876
	=====	=====	=====
	1,729	1,729	3,432
	=====	=====	=====
Total 2020	3,432	3,432	
	=====	=====	

5. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £2,400 (2020 - £2,490).

6. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

THE BLAVATSKY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

6. Trustees' remuneration and expenses (continued)

During the year ended 5 April 2021, expenses totalling £68 were reimbursed or paid directly to 1 Trustee (2020 - £1,876 to 3 Trustees).

7. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2020	2,066,713
Disposals	(50,000)
Revaluations	330,680
At 5 April 2021	2,347,393

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,400	2,795

9. Statement of funds

Statement of funds - current year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
General Funds - all funds	2,146,865	81,882	(167,944)	330,680	2,391,483

Statement of funds - prior year

	Balance at 6 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2020 £
Unrestricted funds					
General Funds - all funds	2,302,102	90,129	(131,844)	(113,522)	2,146,865

THE BLAVATSKY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

10. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	2,347,393	2,347,393
Current assets	46,490	46,490
Creditors due within one year	(2,400)	(2,400)
Total	2,391,483	2,391,483

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	2,066,713	2,066,713
Current assets	82,947	82,947
Creditors due within one year	(2,795)	(2,795)
Total	2,146,865	2,146,865

11. Related party transactions

Payments totalling £1,661 (2020 - £1,556) were made to R Kitto during the year in relation to services provided on the website of the Trust.