

Charity Registration No. 312865 (England and Wales)

Company Registration No. 1055588 (England and Wales)

KRISHNAMURTI FOUNDATION TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

KRISHNAMURTI FOUNDATION TRUST LIMITED

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KRISHNAMURTI FOUNDATION TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms. G. A. Balleys – resigned 02 July 2022 Mr. D. A. Hook Mr. G. Primrose Mrs. W. Smith Mr. A. C Herron Ms. M Kuyper	
Secretary	Mr. G. Primrose	
Charity number (England and Wales)	312865	
Company number	1055588	
Registered office	Brockwood Park Bramdean Aldersford Hampshire SO24 0LQ	
Key personnel	Mr. A. Autor Mr. T. Lehmann Ms M. Masoumian Mr. B. Taylor Mr. R. Patel Mr. T. Power Mrs. K. Power	Member of School, Centre, and Foundation Management Committee Co-Chair of School Management Committee Bursar and Co-Chair of School Management Committee Member of Centre and Foundation Management Committee Member of Centre and Foundation Management Committee Member of School Management Committee Member of School Management Committee
Solicitors	Veale Wasbrough Vizards LLP (VWV) With offices in London, Watford, Bristol and Birmingham Paris Smith 1 London Road Southampton SO15 2AE	
Banker	NatWest Bank Plc Winchester Old Bank 105 High Street Winchester Hampshire SO23 9AH	
Auditor	Azets Audit Services Athenia House 10-14 Andover Road Winchester Hampshire SO23 7BS	
Websites	Main School Small School Foundation Centre Global	www.brockwood.org.uk www.inwoods.org.uk www.kfoundation.org.uk www.krishnamurticentre.org.uk www.jkrishnamurti.org

KRISHNAMURTI FOUNDATION TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The trustees present their report and financial statements for the year ended 31 July 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard, applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

OUR PURPOSES, ACTIVITIES, AIMS AND OBJECTIVES

Our Charity's purposes, as set out in the objects contained in the company's Memorandum of Association, are to advance the education of the public in philosophy, sociology, psychology, and comparative religion and to promote in those fields the study of the teachings of Jiddu Krishnamurti.

The Charity operates in four areas:

1. Brockwood Park School provides a general education for students aged 14 years and over.
2. Inwoods Small School also provides a general education, but for pupils up to the age of 11 years.
3. The Foundation maintains the archives of the works of Jiddu Krishnamurti and disseminates Krishnamurti's work via print and digital mediums.
4. The Krishnamurti Centre provides opportunities for the study of philosophy, sociology, comparative religion, and in particular the study of the Teachings of Krishnamurti, for adult members of the public.

Our Objectives

Our objectives are set to reflect the educational aims of our Schools, the preservation and dissemination of the works of Jiddu Krishnamurti and his many discussions with other philosophers, psychologists, social scientists, and religious figures by the Foundation and to provide a centre of quality to enable visitors to study these works and other comparative, religious and psychological works available in the library and discuss and explore them.

In setting our objectives and planning our activities, the Trustees have considered the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education and on fee-charging.

Our key objectives for the year included:

- Continue with the next phases of the school management system.
- Continue with executing digital and social media initiatives related to the dissemination of the Teachings of Krishnamurti and promotion of activities of the charity.
- Create new podcasts for dissemination of Krishnamurti's Teachings.
- Finalise and implement a long-term operational and financial strategy strengthening the long-term outlook of the charity considering its intentions and objectives, taking into account the various uncertainties and risks.
- Continue to place the video and audios of Krishnamurti online to enable free access to both.
- Review and update our Parents' Contract, by-laws, data protection policies and procedures.
- Review and possibly adopt a new fee model and structure for both schools.
- Launch an endowment or reserve fund for the charity to ensure the long-term strength of the Trust.
- Automate procedures and processes in the Accounts Office.
- Review the residential staff salary and possibility of a pension and other welfare mechanisms, as part of the staff welfare and retention strategy of the Trust.
- Implement the outcome of the review of our existing immigration licensing arrangement with UKVI to ensure the best practice in this area.
- Sign new English book titles of the work of Krishnamurti with reputable publishers and publish translated versions in other countries and territories.
- Continue to improve the education of the students with a holistic approach.
- Continue to provide the Krishnamurti Centre as a venue of quality for visitors to be able to study the works of Krishnamurti and other like-minded people, in quiet and peaceful surroundings.

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Our Public Benefit

We wish to encourage all who wish to attend our schools to do so, irrespective of their financial means (see our Bursary Policy below). We believe that our schools and our students benefit from learning within a diverse community. Our school fees are set at the lowest level consistent with ensuring the financial stability of the schools and at a level consistent with providing the students with a high standard of academic and personal achievement (our fees are currently some £10,000 less than the average fees for independent secondary boarding schools in the UK). Even though we have a generous bursary fund available, in academic year 2021-2022 the bursary requests remained relatively static, equating to 5.45% of total school fees. This may reflect our very low fees, compared with other international boarding schools around the world, and the weaker pound.

A local kindergarten ('Wildflowers') currently uses part of our grounds (particularly some of the woodland) free of charge for activities with its children.

In the past the schools regularly held Open Days, which members of the local community were welcome to attend, but due to pandemic these were stopped, and virtual Open Days introduced. We are starting to have Open Days again this year.

The newsletter of the main school, The Brockwood Observer, containing articles written by staff, students and trustees and information about items of interest at the school, is sent out too many individuals and groups on our mailing list free of charge. The main school offers classical concerts organised and performed by award winning musicians free to the public. These were not held during the pandemic, but we are starting them again this year.

Many teachers and educators, not connected with the charity, visit the schools to view the unique educational approach on offer. Prior to the pandemic, a group of education students from Winchester University visited annually for a tour of the schools, plus discussion and activities. From time-to-time, the schools are approached by PhD and research students in education asking to come and visit.

More than 2,000 videos of Krishnamurti, meticulously subtitled in various languages, are available free of charge on our YouTube Channel: we are progressively releasing short video extracts and audios of Krishnamurti for free on our official YouTube channel and intend to continue to produce and make the remaining audios of Krishnamurti also available for free. We are making the transcripts of various talks of Krishnamurti available for free on our international website (jkrishnamurti.org). We have also created free access to the work of Krishnamurti on two new platforms, Podcast, and Instagram. We have conducted paid social media campaigns to bring to the public the Teachings of Krishnamurti free of charge. We have created elegantly designed booklets and made them available free to the public.

Our charges for staying at the Krishnamurti Centre are kept as low as possible to ensure that all who wish to attend can do so. If a guest cannot afford the full room-rate, we may make a discretionary reduction to the cost, or allow a guest to stay for free. For most of the year, the Centre is open to any visitor or day-guest, free of charge, who wishes to make use of the facilities (library, video-room, audio and video players) thereby encouraging people to visit regularly to study and research Krishnamurti's Teachings and other religious, psychological and spiritual works. We welcome many guests from the surrounding area for day visits, also at no cost to them. We offer a one-time discount for students and people who may not be able to afford the costs to enable them to visit and stay at the Centre. We sometimes accept volunteers when the need arises to offer them an opportunity to visit and stay at the Centre for free.

At the Krishnamurti Centre we have brochures, bulletins, and articles available for free, which give information about Krishnamurti's Teachings and the intentions of the Centre and which we send to anyone who contacts us and wishes to know more. We organise open dialogues for the public and for the parents of the junior school pupils, intended to help further the intentions, and we allow the use of the Centre library as the meeting place for these.

The Foundation sends out a bulletin giving information about meetings of national and international committees, local events, theme weekends at the Centre and articles based upon the Teachings. Copies of our most popular books are sent, free of charge, to individuals who cannot afford to purchase them.

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FOR THE YEAR ENDED 31 JULY 2022

Bursaries and Financial Assistance

As stated above, the Trustees believe that it is important to make bursaries available to students from families who may not be able to pay all of the school fees. In assessing a family's means we take many factors into consideration, including family income, investments, savings, etc. However, we currently have no endowments and rely on the generosity of benefactors to offer any kind of bursary. We must ensure that a balance is struck between fee-paying parents and those benefiting from the bursaries.

Bursaries range from 7% to 80% remission of fees. Information about fee assistance through bursaries is provided to all who request it. The success of our bursary scheme is explained in our review of activities and achievements section of this report. In the current year the school has made available 5.45% of its fee income for bursaries.

The fees for the main school are paid annually and before the start of the term. However, we understand that some families need to budget carefully, therefore, we offer the facility to pay fees on a termly basis. In exceptional cases and upon request, as an additional way of financial aid, we agree on a payment-plan with the parents who need this assistance to be able to afford the fees

OUR STRATEGY

The Trustees are responsible for setting strategies for achieving the objectives determined for the areas of operation of each section of the Charity.

Key objectives and strategies

Our key objectives of the charity are listed below with strategies adopted to achieve those also displayed:

- Continue with the next phases of the school management system:
 - Identifying areas that could be automated.
 - Improving our online application portal.
 - Engaging suitable consultants to design a tailor-made product for the identified areas of need.
- Continue with executing digital and social media initiatives related to the dissemination of the Teachings of Krishnamurti and promotion of activities of the charity:
 - Identify areas of topical interest.
 - Select appropriate content and create appropriate design.
 - Use external consultants to verify our strategy and understanding.
 - A/B testing of various initiatives and deciding on the best campaign.
- Create new podcasts for dissemination of Krishnamurti's Teachings:
 - Adopting a new strategy for the creation of content.
 - Selection of material and an elegant design and identifying the platforms suitable to launch our podcasts.
- Finalise and implement a long-term operational and financial strategy strengthening the long-term outlook of the charity considering its intentions and objectives, considering the various uncertainties and risks:
 - Given the small size of our charity and uniqueness of its offering, and considering the changing dynamic in the operational, educational, and regulatory landscape surrounding the charity, the long-term direction of the trust has been explored considering all the changing elements and dynamics. We aim to strengthen the Trust to meet all the modern regulatory and compliance requirements and social dynamics, while continuing to deliver its unique offering based on the intentions and ethos of the charity.
 - With assistance of external advisors, we continue to explore and discuss the suitability of the charity's legal structure, establishing an endowment and by-laws.
 - Changes made to the main school's staffing requirement.
 - Changes to our volunteer programmes in the wake of Brexit.
 - Further exploration and planning for a change in the schools' fee structure.
 - Exploration and planning for an increase of salary for residential staff and the establishment of a pension for them.
- Continue to place the video and audios of Krishnamurti online to enable free access to both:
 - Continue to expand the content and reach of our official YouTube channel.
 - The expansion of a second YouTube channel dedicated to shorter extracts.

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- Providing access free of charge to the Teachings of Krishnamurti, on multiple platforms such as YouTube, via podcasts, various Websites, and social media channels.
- Review and update our Parents' Contract, by-laws, data protection policies and other policies:
 - An internal review of the parents' contract is in progress, but still not completed.
 - The by-laws will be reviewed by an external advisor and are due to be reviewed internally.
 - An internal review of data-protection policies and procedures in progress.
- Review and possibly adopt a new fee-model and structure for both schools:
 - A review and exploration of various models has been conducted and the outcome is ready to be decided upon.
- Launch an endowment or reserve fund for the charity ensuring the long-term strength of the trust:
 - Extensive discussion and exploration with external advisors have been conducted.
 - Suitable vehicle and structure have been decided and the plan is to be executed for the launch of endowment fund.
- Automate procedures and processes in the Accounts Office:
 - Internal review of this has been initiated.
- Review the residential staff salary and possibility of a pension and other welfare mechanisms, given the financial constraints within the Trust.
 - A review has been conducted and the outcome is to increase staff salaries over time and implement a pension scheme.
- Implement the outcome of the review of our existing immigration licensing arrangement with UKVI to ensure the best practice in this area:
 - The review was finalised with the assistance of our external advisors and the outcome is to be implemented in due course.
- Sign new English book titles of the work of Krishnamurti with reputable publishers and publish translated versions in other countries and territories:
 - Continue our positive relationship with our two main UK publishers and continue our worldwide effort of publishing Krishnamurti's books in various languages.
- Continue to improve the education of the students with a holistic approach and to provide the financial security to do so:
 - Ongoing review of our pastoral and academic offerings to ensure its quality.
- Continue to provide the Krishnamurti Centre as a venue of quality for visitors to be able to study the works of Krishnamurti and other classic philosophical and religious studies, in quiet and peaceful surroundings.

Achievement and performance

Despite of the impact of Covid and Brexit, both schools continue to see an increase in the number of applications and students. The charity managed to weather these two significant challenges while maintaining a strong financial position.

The charity continued strengthening the policies and practices across all aspects of Health and Safety and Compliance with various regulations.

Digital activities of the Foundation across all of its platforms have brought the Teachings of Krishnamurti to the attention of millions of people free of charge. New social media campaigns have reached millions of people and increased our social media engagement greatly. On our official YouTube channels, Krishnamurti talks are now viewed on average 1.8 million times per month. Thanks to carefully crafted social media activities, the use of a Google Ad Grant, and the recent redesign of our online platform (kfoundation.org), which now serves as an extensive repository of free curated content, the Foundation website now receives on average 35,000 visits per month. Our popular podcast 'Urgency of Change – The Krishnamurti Podcast' is now in its fourth season and has been downloaded over a million times.

The Foundation continues to work closely with two prominent publishers in the UK, Watkins, and Rider. These are currently our main English publishers of Krishnamurti teachings. We are working on publishing two new titles for the coming year, one with each of these publishers.

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Pupil Numbers, Visitors and Fees

The main School for the academic year 2021-22 had over 100 applicants for about 25 places available and finished the year with 70 students. The Small School for day students only, finished the year with 11 students; this school had to restart from scratch following its closure due to the pandemic and restructuring, however, this number has increased to 15 for this academic year.

We are maintaining the two-tier fee structure that was put in place for the small school and the main school. The small school lower tier was £6,836 and the higher tier was £ 7,718. The main school lower tier fee was £23,300 and the higher tier was £30,700.

The number of nights for which payment was received in the Centre decreased as we continued to feel the impact of the pandemic on the Centre.

Co-curricular Activities

In addition to a full programme of academic courses, AS/A-level and non-exam courses, the main school continues to offer a wide range of co-curricular activities: these range from pottery and woodwork, through gardening and bushcraft, to a range of music-related tuition and a good selection of sports. There is a lot of interest in the performing arts and two major concerts – or a concert and a play – are prepared each year. The school also organises a selection of trips for students during term-time to museums, galleries, theatres, and nature reserves. Over the years students have spent time at our sister schools in India to enhance their educational programmes. The main school continued to offer a workshop week with various workshops which students would not otherwise have access to.

Details of Bursary Awards – Policy into Practice

Bursaries and sponsorships awarded were approximately 5% of our total expected fee income and amounted to £91,336. This aided 13 of our students at the main school. In addition, 3 pupils at the small school were awarded bursaries.

The Trustees review the provision of bursaries annually and delegate the responsibility of offering bursaries to the Principal, Coordinator of Inwoods Small School, and the Bursar. The scheme widens access to the schools to people from all backgrounds and walks of life and allows suitable students, who would otherwise be unable to attend, to be part of the school community.

Environmental Incentives – Cutting our “Carbon Footprint”

Concern for the environment is at the heart of living together at Brockwood. Both schools are vegetarian and grow a proportion of their own food organically in their kitchen gardens. A central part of the high school curriculum is Human Ecology, addressing environmental issues both practically and academically and Nature Study is a central part of the Inwood's curriculum.

Day-to-day activities such as reusing, and recycling items have been standard practice for many years. Our buildings are now being upgraded with better insulation and more environmentally friendly heating systems. As part of our planned increase in the use of energy from renewable sources, we have invested in a wood-chip boiler to heat the Centre building. The recently constructed student and staff accommodation, the Pavilions, is heated by ground-source heat-pumps. We have recently installed solar panels onto the roof of one of our student and staff houses, the Cloisters.

The overall strategy towards net zero is progressing with more solar and battery storage planned.

Fundraising

The charity does not use professional fundraisers. Our approach to fundraising is light-touch and relies a lot on communicating clearly and directly with our donors about activities in the charity and areas of needs within the charity. We have a close relationship with our donors and organise events, activities, and communication strategies to keep them very well informed of what goes on at Brockwood. In our donor cultivation cycle we place little emphasis on requesting and a lot of emphasis on clear communication.

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Future Plans

The charity plans to continue to clarify and review its long-term objectives and vision and align the internal operations with these objectives and devise strategies to achieve these objectives and vision.

In light of the above, the charity intends to initiate the following:

- Revamping the Foundation's website and creating a unique site providing to the public free access to the work of Krishnamurti.
- Continue our digital and social media initiatives related to the dissemination of the Teachings of Krishnamurti and promotion of activities of the charity.
- Continue Creating new podcasts for dissemination of Krishnamurti's Teachings.
- Launching and fundraising for the endowment fund.
- Continue to place the video and audios of Krishnamurti online to enable free access to both.
- Possible adoption of a new fee model and structure for both schools.
- Automate procedures and processes in the Accounts Office.
- Review the residential staff salary and possibility of a pension and other welfare mechanisms, given the financial constraints within the Trust.
- Sign new English book titles of the work of Krishnamurti with reputable publishers and also publish translated versions in other countries and territories.
- Continue to improve the education of the students with a holistic approach and provide the financial security to do so;
- Continue to provide the Krishnamurti Centre as a venue of quality for visitors to be able to study the works of Krishnamurti and other like-minded people, in quiet and peaceful surroundings.
- Enhance the awareness of the Krishnamurti Centre and create new programmes to attract people to the Centre.

FINANCIAL REVIEW

In the year to 31 July 2022 the charity received less donations and legacies compared to the year before. School fee income increased because of partial closure in the prior year due to the pandemic

Our Finances

One of our risk management policies is to create a budget each year for the coming year with planned income and expenditure for the ensuing three years. Quarterly reports are created comparing the actual income and expenditure with the budgets and forecasting the result for the year based upon the actual items. The Trustees consider these and act if necessary.

Total income of the charity decreased from £2,731,645 to £2,705,601, due to a decrease in donations and legacies. This is mitigated by an increase in charitable activities income, due to being open for a full year post-pandemic. The amount of donations being received in the year was £403,503 (2021 - £508,932). Legacies amounted to £209,781 (2021 - £567,025). After deducting expenses, the Net Incoming Resources for the charity amounted to £393,491 (2021 - £746,521).

The Charity continued to benefit from royalties received from the publication of its books around the world, and from the surplus on the sale of books, video and audio tapes, CD-ROMs, and DVDs. The Charity publishes and distributes the Bulletins as a free service to all who wish to receive it. The Charity appealed for funds for various purposes, some specific and others general.

The Trustees review the salaries of the staff regularly. Because of the ethos of the school and the way it operates, the major cost of staff salaries is considerably lower than in other schools. Thus, we can keep our fees lower while offering a higher staff to student ratio than would otherwise be the case. The staff and students are all part of a community living, working, and sharing together

As a charity we enjoy tax exemption status which means that we pay no tax on our deposit interest which is applied to the charity's purposes, and we can reclaim tax suffered on gift aid donations made to us. We also benefit from an 80% reduction in the rates on the buildings we occupy for charitable purposes. However, we are unable to reclaim VAT on purchases and expenses used for educational purposes and we pay taxes as an employer through the national insurance contributions we make.

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Reserves and Financial Health

As of 31 July 2022, the total funds of the Charity were £8,109,216 (2021: £7,715,725). Of these, £2,244,517 (2021: £2,324,818) are restricted funds and £5,864,699 (2021: £5,390,907) are unrestricted funds. Of the unrestricted funds, £3,104,591 (2021: £3,063,983) is represented by tangible fixed assets and £3,234,513 (2021: 2,901,537) current assets and there is a long-term liabilities and provisions deficit of £474,405 (2021: 574,613).

The Charity's assets are sufficient to meet its obligations and are all held for use by the four areas within the Charity. The unrestricted funds are being held to finance projects and initiatives such as establishing an endowment fund, financial welfare and retention of residential staff and long-term maintenance needs.

The reserves policy of the Trust is reviewed on an annual basis by the Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Krishnamurti Foundation Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association which were last altered in March 2013.

It is registered as a charity with the Charity Commission.

Each member agrees to contribute £1 in the event of the charity winding up.

Governing Body

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Governors. Under the requirements of the Memorandum and Articles of Association one third of them must retire at each Annual General Meeting.

The governing body consists of the persons mentioned on page 1.

In accordance with the Articles of Association, Mrs Wendy Smith and Mrs Marina Kuyper retire by rotation and being eligible, offer them for re-election.

The Governors meet as a body on at least three occasions in each year, the duration of each meeting being about four days. In addition, there are various committees and working groups which meet more regularly throughout the year. Each Governor has specific responsibilities for areas of operation within the Charity.

All Governors give their time voluntarily as Trustees but are now able to receive payment for special services and goods supplied to the charity by written agreement in accordance with the Memorandum of Association.

Recruitment and Training of Governors/Trustees

In common with charities of a similar size, it is difficult to retain a full complement of governors covering the necessary range of skills and experience and with a keen interest in Krishnamurti's Teachings. The existing Governors seek new Governors through contacts with international committees and personal contacts. New Governors are mentored by more experienced Governors in the workings of the Charity and its procedures.

The two Safeguarding Liaison trustees regularly attend training on school regulatory and compliance matters and keep the other trustees informed and up to date with the latest updates to regulations.

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Organisational Management

The Governors (Trustees) are legally responsible for the overall management and control of the four areas of the Charity. These are the main school (referred to as Brockwood Park School), the small school (referred to as Inwoods Small School), the Foundation (referred to as Krishnamurti Foundation Trust) and the adult Study Centre (referred to as The Krishnamurti Centre).

The Members of the Management Committees have day-to-day responsibility for the running of their respective areas and for implementing the policies set by the Governors. The School Management Committee has a day-to-day oversight and responsibility for running the School and the Centre and Foundation Management Committee has a day-to-day oversight and responsibility for running the Centre and Foundation.

Risk Management

The Governors are responsible for the identification and management of risks. The major risks to which the Trust is exposed, are identified by the Governors with the assistance and consultation of the Management Committees. These risks have been reviewed and systems and procedures established to manage those risks. Examination of the risks and establishment of controls to mitigate them is delegated to the Management Committees and the process is overseen by the Bursar on behalf of the governing body. The Risk Register is reviewed by the Trustees in each Trustee meeting. A review of the risk management processes is undertaken annually at the November Trustee meeting. They monitor the risk and take appropriate mitigating action when required.

The key controls used by the charity include:

- formal agendas for all Governor Meetings.
- formal minutes taken at all meetings.
- comprehensive strategic planning, budgeting, and management accounting.
- formal written policies.
- clear authorisation and approval levels.
- clear job descriptions of all staff.
- vetting procedures as required by law for the protection of the vulnerable.
- crisis management procedures.
- legal and specialist advice.

Included within these controls are considerations of price, credit, liquidity, and cash-flow risks.

Through the risk management processes established for the charity the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Disclosure of information to the auditors


In so far as the Trustees are aware at the time of agreeing our Trustees' Annual Report:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees, having made enquiries of fellow Trustees and the Auditor, confirm that they have each taken all steps that they ought to have individually taken, to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Auditor

Azets Audit Services were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report, including the directors' report and strategic report, was approved by the Board of Trustees.



Mrs W Smith

Date: 2/11/2022

KRISHNAMURTI FOUNDATION TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2022

The trustees, who are also the directors of Krishnamurti Foundation Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Annual Report (including the Directors' Report and the Strategic Report) 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's websites. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

KRISHNAMURTI FOUNDATION TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF KRISHNAMURTI FOUNDATION TRUST LIMITED

Opinion

We have audited the financial statements of Krishnamurti Foundation Trust Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company 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 charitable company'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 (incorporating the strategic report and directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with the applicable legal requirements

KRISHNAMURTI FOUNDATION TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRISHNAMURTI FOUNDATION TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

KRISHNAMURTI FOUNDATION TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRISHNAMURTI FOUNDATION TRUST LIMITED

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services
Michael Tizard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

23/11/22

Chartered Accountants
Statutory Auditor

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

KRISHNAMURTI FOUNDATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	3	449,606	163,678	613,284	1,075,957
Deposit account interest		3,713	-	3,713	4,617
Income from charitable activities	4	2,088,604	-	2,088,604	1,651,071
Total income		2,541,923	163,678	2,705,601	2,731,645
Expenditure on:					
<u>Charitable activities</u>					
Publicity		60,939	-	60,939	42,610
Royalties payable (including KFA)		32,198	-	32,198	31,641
Irrecoverable school fees and bad debts		-	-	-	36,566
Direct costs		882,010	33,096	915,106	789,222
Food and household costs		178,635	-	178,635	149,385
Archive costs		4,275	316	4,591	3,377
Premises costs		351,150	40,609	391,759	349,661
Support costs	6	420,641	5,593	426,234	330,255
Depreciation		158,082	64,894	222,976	204,344
Governance costs	6	79,672	-	79,672	48,063
Total charitable expenditure	5	2,167,602	144,508	2,312,110	1,985,124
Total resources expended		2,167,602	144,508	2,312,110	1,985,124
Net incoming resources before transfers		374,321	19,170	393,491	746,521
Gross transfers between funds	20	99,471	(99,471)	-	-
Net movement in funds		473,792	(80,301)	393,491	746,521
Fund balances at 1 August		5,390,907	2,324,818	7,715,725	6,969,204
Fund balances at 31 July		5,864,699	2,244,517	8,109,216	7,715,725

All income and expenditure derive from continuing activities.

KRISHNAMURTI FOUNDATION TRUST LIMITED

BALANCE SHEET

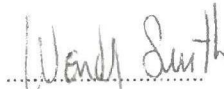
FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10	4,317,676		4,341,962	
Investments	11	100		100	
		<u>4,317,776</u>		<u>4,342,062</u>	
Current assets					
Stocks	12	33,664		32,635	
Debtors	13	125,750		489,604	
Investments	14	518,596		516,598	
Cash at bank and in hand		<u>4,724,967</u>		<u>3,850,694</u>	
		5,402,977		4,889,531	
Creditors: amounts falling due within one year	15	<u>(1,137,132)</u>		<u>(941,255)</u>	
Net current assets		<u>4,265,845</u>		<u>3,948,276</u>	
Total assets less current liabilities		<u>8,583,621</u>		<u>8,290,338</u>	
Creditors: amounts falling due after more than one year	16	(411,666)		(530,833)	
Provisions for liabilities	17	(62,739)		(43,780)	
Net assets		<u>8,109,216</u>		<u>7,715,725</u>	
Income funds					
Restricted funds	20	2,244,517		2,324,818	
Unrestricted funds					
General unrestricted funds	21	3,459,381		3,303,625	
Designated unrestricted funds	21	<u>2,405,318</u>		<u>2,087,282</u>	
		5,864,699		5,390,907	
		<u>8,109,216</u>		<u>7,715,725</u>	

The financial statements were approved by the Trustees on 21/11/22



Mr. G. Primrose
Trustee



Mrs. W. Smith
Trustee

Company Registration No. 1055588

KRISHNAMURTI FOUNDATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	3	882,233	193,724	1,075,957
Deposit account interest		4,617	-	4,617
Income from charitable activities	4	1,651,071	-	1,651,071
Total income		2,537,921	193,724	2,731,645
Expenditure on:				
Charitable activities				
Publicity		42,610	-	42,610
Royalties payable (including KFA)		31,641	-	31,641
Irrecoverable school fees and bad debts		36,566	-	36,566
Direct cost		758,285	30,937	789,222
Food and household costs		149,385	-	149,385
Archive costs		3,377	-	3,377
Premises costs		327,464	22,197	349,661
Support costs	6	326,266	3,989	330,255
Depreciation		138,545	65,799	204,344
Governance costs	6	47,993	70	48,063
Total charitable expenditure	5	1,862,132	122,992	1,985,124
Total resources expended		1,862,132	122,992	1,985,124
Net incoming/(outgoing) resources before transfers		675,789	70,732	746,521
Gross transfers between funds	20	126,698	(126,698)	-
Net movement in funds		802,487	(55,966)	746,521
Fund balances at 1 August		4,588,420	2,380,784	6,969,204
Fund balances at 31 July		5,390,907	2,324,818	7,715,725

KRISHNAMURTI FOUNDATION TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	25		1,175,923		780,580
Investing activities					
Increase in current asset investments		(1,998)		(4,220)	
Purchase of tangible fixed assets		(198,818)		(122,111)	
Proceeds from sale of tangible fixed assets		7,500		-	
Net cash used in investing activities			(193,316)		(126,331)
Financing activities					
Proceeds on new loan		-		650,000	
Repayment of loan		(108,334)		(30,000)	
Net cash used in financing activities			(108,334)		620,000
Net increase in cash and cash equivalents			874,273		1,274,249
Cash and cash equivalents at beginning of year			3,850,694		2,576,445
Cash and cash equivalents at end of year			4,724,967		3,850,694

KRISHNAMURTI FOUNDATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Charity information

Krishnamurti Foundation Trust Limited is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is Brockwood Park, Bramdean, Alresford, Hampshire, SO24 0LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

Preparation of consolidated financial statements

In the opinion of the trustees, the results of the subsidiary company are not material to the group. The charitable company has therefore taken advantage of the exemption provided by Companies Act 2006, Financial Reporting Standard 102 and the Charities SORP (FRS 102), not to prepare group accounts.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside of the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it, the amounts can be measured reliably, and it is probable that income will be received.

Income from general donations is recognised on receipt or once the charity has been notified of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from school fees is recognised in the period to which they relate. School fees received before the year end relating to future periods are included as deferred income at the year end.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. Any irrecoverable element of VAT is included with the item of expense to which it relates. All direct and indirect costs are attributed to the areas to which they belong. All other costs are apportioned on a reasonable apportionment basis. Support costs and governance costs (note 6), which are charitable, relate to the stewardship of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

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

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

Freehold buildings	2% straight line basis
Freehold land	Not depreciated
Motor Vehicles	25% straight line
Fixtures and fittings	15% straight line basis
Equipment	25% - 33.33% straight line

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, and highly liquid bank accounts. Cash held in deposit accounts with a maturity of more than 90 days held for investment purposes rather than to meet short-term cash commitments as they fall due are included in current asset investments.

1.10 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities

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

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.12 Irrecoverable VAT

The charitable company is partially exempt for VAT on its expenses. All of this VAT is accumulated and charged to support costs.

1.13 Employee benefits

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

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

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The assets of the scheme are held separately from the charity.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1.15 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period in which it arises.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

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

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Depreciation
- Debt recoverability

KRISHNAMURTI FOUNDATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

3 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	239,825	163,678	403,503	315,388	193,544	508,932
Legacies receivable	209,781	-	209,781	566,845	180	567,025
	<u>449,606</u>	<u>163,678</u>	<u>613,284</u>	<u>882,233</u>	<u>193,724</u>	<u>1,075,957</u>

Analysed by funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts						
Main School	48,718	155,577	204,295	36,972	177,348	214,320
Inwoods Small School	1,328	200	1,528	1,350	425	1,775
Foundation	139,156	7,901	147,057	244,392	15,771	260,163
Adult Study Centre	50,623	-	50,623	32,674	-	32,674
	<u>239,825</u>	<u>163,678</u>	<u>403,503</u>	<u>315,388</u>	<u>193,544</u>	<u>508,932</u>
Legacies receivable						
Main School	200,409	-	200,409	189,376	180	189,556
Inwoods Small School	-	-	-	5,719	-	5,719
Foundation	9,372	-	9,372	371,750	-	371,750
Adult Study Centre	-	-	-	-	-	-
	<u>209,781</u>	<u>-</u>	<u>209,781</u>	<u>566,845</u>	<u>180</u>	<u>567,025</u>

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

4 Charitable activities income

	Note	Unrestricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Total 2021 £
School fees		1,675,858	1,675,858	1,255,472	1,255,472
Board and lodging		169,068	169,068	51,195	51,195
Royalties		107,674	107,674	68,115	68,115
Trading activities		14,851	14,851	13,365	13,365
Recoveries from staff and students		60,418	60,418	63,612	63,612
Government grants	18	39,753	39,753	144,504	144,504
Other income		20,982	20,982	54,808	54,808
		<u>2,088,604</u>	<u>2,088,604</u>	<u>1,651,071</u>	<u>1,651,071</u>

Analysed by funds

	Unrestricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Total 2021 £
Main School	1,695,782	1,695,782	1,437,237	1,437,237
Inwoods Small School	76,912	76,912	27,382	27,382
Foundation	125,702	125,702	91,500	91,500
Adult Study Centre	190,208	190,208	94,952	94,952
	<u>2,088,604</u>	<u>2,088,604</u>	<u>1,651,071</u>	<u>1,651,071</u>

5 Charitable activities expenditure analysed by funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Main School	1,483,312	127,826	1,611,138	1,286,295	118,934	1,405,229
Inwoods Small School	104,116	2,102	106,218	74,469	-	74,469
Foundation	266,557	14,580	281,137	228,552	4,058	232,610
Adult Study Centre	313,617	-	313,617	272,816	-	272,816
	<u>2,167,602</u>	<u>144,508</u>	<u>2,312,110</u>	<u>1,862,132</u>	<u>122,992</u>	<u>1,985,124</u>

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

6 Support and governance costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	165,280	-	165,280	132,872	-	132,872
Communications	9,981	-	9,981	11,890	-	11,890
Travelling and motor	7,076	-	7,076	12,164	-	12,164
Insurance	32,552	-	32,552	31,795	-	31,795
Irrecoverable VAT	107,732	-	107,732	49,883	-	49,883
Stationery and office costs	56,117	-	56,117	60,921	-	60,921
Loan interest paid	19,183	-	19,183	11,038	-	11,038
Other costs	28,313	-	28,313	19,692	-	19,692
Audit and accountancy	-	16,405	16,405	-	9,583	9,583
Legal and professional fees	-	63,267	63,267	-	38,480	38,480
	<u>426,234</u>	<u>79,672</u>	<u>505,906</u>	<u>330,255</u>	<u>48,063</u>	<u>378,318</u>

7 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the charitable company's auditor for the audit of the charitable company's financial statements	10,500	9,750
Depreciation of owned tangible fixed assets	222,975	204,344
Profit on disposal of tangible fixed assets	(6,964)	-
	<u>226,511</u>	<u>214,094</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits, or reimbursed travel expenses from the charity during the year.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

9 Employees

Number of employees

The average monthly number of full-time equivalent employees during the year was:

	2022	2021
	Number	Number
Teaching and support	45	45
Promotion and publicity	0	1
Management and administration	9	10
	<u>54</u>	<u>56</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	909,988	804,763
Social security costs	62,485	41,515
Other staff costs	17,060	25,423
Pension costs	16,007	12,276
	<u>1,005,540</u>	<u>883,977</u>

The average number of staff on a head count basis in the year was 55 (2021: 57).

The key management personnel of the charity comprise the trustees and the senior management team. The total employee benefits, comprising salary, pension contributions and related employers' national insurance contributions of the key management personnel of the charity were £83,012 (2021: £75,680).

There were no employees whose annual remuneration was £60,000 or more.

There were no termination payments made to employees during the year, nor are there any outstanding to be paid at the year end date.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

10 Tangible Assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 August 2021	7,198,813	950,277	8,149,090
Additions	41,770	157,048	198,818
Disposals		(23,882)	(23,882)
At 31 July 2022	7,240,583	1,083,443	8,324,026
Depreciation and impairment			
At 1 August 2021	3,041,635	765,493	3,807,128
Depreciation charged in the year	143,166	79,809	222,975
Depreciation eliminated		(23,753)	(23,753)
At 31 July 2022	3,184,801	821,549	4,006,350
Carrying value			
At 31 July 2022	4,055,782	261,894	4,317,676
At 31 July 2021	4,157,178	184,784	4,341,962

The directors are of the opinion that the value of the Freehold Property is in excess of its book value based on the comments in a valuation carried out several years ago. In the opinion of the directors the cost of having a professional revaluation outweighs its benefits.

11 Fixed asset investments

	2022 £	2021 £
Investments in subsidiaries	100	100

Details of the charity's subsidiaries at 31 July 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Brockwood Park Estates Ltd	England & Wales	Development of building projects	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiary excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Brockwood Park Estates Ltd	(72)	(1,027)

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

12 Stocks	2022	2021
	£	£
Stock for fuel	10,009	8,980
Goods for resale	23,655	23,655
	<u>33,664</u>	<u>32,635</u>
13 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
School fees recoverable	32,583	39,291
Trade debtors	33,653	60,813
Amount owing from subsidiary	1,158	1,158
Other debtors	58,356	388,342
	<u>125,750</u>	<u>489,604</u>
14 Current asset investments	2022	2021
	£	£
Cash held in deposit accounts with maturity over 90 days	<u>518,596</u>	<u>516,598</u>
15 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	88,671	104,703
Taxes and social security	64,194	8,216
School fees in advance	710,597	573,021
Fee and textbook deposits	104,427	92,982
Other creditors and accruals	39,243	43,166
Coronavirus interruption loan	<u>130,000</u>	<u>119,167</u>
	<u>1,137,132</u>	<u>941,255</u>

KRISHNAMURTI FOUNDATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

16 Creditors: amounts falling due after more than one year

	2022	2021
Coronavirus interruption loan	<u>411,666</u>	<u>530,833</u>

The CBIL loan is secured by a fixed and floating charge over the properties and undertakings of the charitable company.

17 Provisions for liabilities and charges

	2022	2021
	£	£
<u>Provision for staff leaving</u>		
Balance at 1 August 2021	43,780	55,155
Used in the year	(19,898)	(41,889)
Charge for the year	<u>38,857</u>	<u>30,514</u>
Balance at 31 July 2022	<u>62,739</u>	<u>43,780</u>

The trustees have agreed that when a residential member of staff leaves with more than 3 years' service, they will be entitled to receive a lump sum equivalent to 5% of annual salary for each completed year, subject to a maximum service of 15 years.

18 Government grants

During the year the charity received government grants totalling £39,753 (2021: £144,504). This total related to furloughed staff of £7,659 (2021: £132,724), loan interest of £nil (2021: £10,780), heat incentives £31,094 (2021: £nil) and apprenticeship grant of £1,000 (2021: £1,000).

19 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £16,007 (2021: £12,276).

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

20 Restricted funds

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

	Movement in funds			Movement in funds			Movement in funds			Balance at 31 July 2022
	Balance at 1 August 2020	Incoming resources	Resources expended	Transfers	Balance at 1 August 2021	Incoming resources	Resources expended	Transfers	Balance at 31 July 2022	
	£	£	£	£	£	£	£	£	£	£
Main School Bursary	-	18,887	-	(18,887)	-	27,853	-	(27,853)	-	-
Alumni Bursary Fund	80,426	194	-	-	80,620	810	-	-	81,430	81,430
Small School Bursary	-	425	-	-	425	-	-	(425)	-	-
Music Fund	6,742	543	-	-	7,285	200	(2,102)	-	5,383	5,383
J K Online	33,068	5,771	(3,377)	-	35,462	7,900	(5,126)	-	38,236	38,236
Archive Exchange	9,253	10,000	(681)	-	18,572	-	(5,737)	-	12,835	12,835
Pavilions	1,343,879	-	(65,800)	-	1,278,079	-	(64,894)	-	1,213,185	1,213,185
Infrastructure	40,602	-	-	-	40,602	-	(40,609)	7	-	-
Subtitles	8,726	-	-	-	8,726	-	(3,716)	-	5,010	5,010
Sundry main school	43,118	-	(126)	-	42,992	6,000	(12,518)	-	36,474	36,474
Jean-Michel	132,394	157,904	(30,811)	(107,811)	151,676	120,915	(9,806)	(55,200)	207,585	207,585
Elisabeth Fraser	671,677	-	(22,197)	-	649,480	-	-	(16,000)	633,480	633,480
Muriel Gill	10,899	-	-	-	10,899	-	-	-	10,899	10,899
	<u>2,380,784</u>	<u>193,724</u>	<u>(122,992)</u>	<u>(126,698)</u>	<u>2,324,818</u>	<u>163,678</u>	<u>(144,508)</u>	<u>(99,471)</u>	<u>2,244,517</u>	<u>2,244,517</u>

KRISHNAMURTI FOUNDATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

20 Restricted funds (continued)

A description of the nature and purpose of the restricted funds are shown below:

Main School Bursary Fund – Donations to be used for Bursaries in the main school.
Alumni Bursary Fund – Donations to be used for Bursaries including for Alumni children.
Small School Bursary Fund – Donations to be used for Bursaries in the Inwoods Small School.
Music Fund – Donations to be used for Music in the main school.
J K Online – Donations to be used towards the development of the JKO website.
Archive exchange – Donations to be used for archive exchange between the three foundations.
Pavilions – Donations to be used for pavilions in the main school
Infrastructure – Donations to be used for upgrading the infrastructure of the main school.
Subtitles – Donations to be used for subtitling the videos of Krishnamurti.
Sundry main school – Other sundry donations received for specific purposes.
Jean-Michel – Donations to be used for bursaries and teacher recruitment.
Elisabeth Fraser – Legacy to be used for bursaries and repairs to the school.
Muriel Gill – Legacy to be used for financial support for those staying at the Krishnamurti Study Centre.

Transfers between funds

Main school bursary

The transfer of £27,853 relates to school fees covered by bursaries from this fund.

Small school bursary

The transfer of £425 relates to school fees covered by bursaries from this fund.

Infrastructure

Transfer of £7 from unrestricted funds to clear overspend.

Jean-Michel

The transfer of £55,200 relates to school fees covered by bursaries from this fund.

Elisabeth Fraser

The transfer of £16,000 relates to school fees covered by bursaries from this fund.

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

21 Unrestricted funds

The income funds of the charity include unrestricted funds comprising the following unexpended balances:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 August 2020	Incoming resources	Resources expended	Transfers	Balance at 31 July 2021	Incoming resources	Resources expended	Transfers	Balance at 31 July 2022
	£	£	£	£	£	£	£	£	£
Unrestricted General									
Foundation	745,916	162,081	(227,342)	-	680,655	129,352	(257,872)	42,099	594,234
Main school	1,786,494	1,664,029	(1,286,295)	121,898	2,286,126	1,730,412	(1,490,122)	97,275	2,623,691
Study centre	257,927	127,824	(272,816)	-	112,935	243,977	(313,616)	-	43,296
Small school	264,693	28,885	(74,469)	4,800	223,909	78,367	(104,116)	-	198,160
Total General	3,055,030	1,982,819	(1,860,922)	126,698	3,303,625	2,182,108	(2,165,726)	139,374	3,459,381
Designated									
Foundation	1,300,813	549,383	(1,210)	-	1,848,986	145,067	(1,876)	(39,903)	1,952,274
Brockwood Park Fund	232,577	-	-	-	232,577	214,748	-	-	447,325
Small School Fund	-	5,719	-	-	5,719	-	-	-	5,719
Total Designated	1,533,390	555,102	(1,210)	-	2,087,282	359,815	(1,876)	(39,903)	2,405,318
	4,588,420	2,537,921	(1,862,132)	126,698	5,390,907	2,541,923	(2,167,602)	99,471	5,864,699

KRISHNAMURTI FOUNDATION TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

22 Analysis of net assets between funds

Fund balances on 31 July 2022 are represented by:

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	3,104,591	1,213,185	4,317,776	3,063,983	1,278,079	4,342,062
Net current assets	3,234,513	1,031,332	4,265,845	2,901,537	1,046,739	3,948,276
Long term liabilities and provisions	(474,405)	-	(474,405)	(574,613)	-	(574,613)
	<u>5,864,699</u>	<u>2,244,517</u>	<u>8,109,216</u>	<u>5,390,907</u>	<u>2,324,818</u>	<u>7,715,725</u>

The comparative figures have been restated to be a more accurate reflection of the use of tangible fixed assets by fund.

KRISHNAMURTI FOUNDATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

23 Related party transactions

Similar foundations exist in other countries throughout the world including Spain, India and USA. These foundations have joined together to create a global website the costs of which are to be shared between them. The charity and the American foundation (KFA) have made a Joint Representation Agreement whereby all royalties receivable on books by the two organisations are shared equally between them and they will be jointly represented to all trade partners (publishers, literary agents, committees, online channels etc.) to avoid duplication of representation. The amount of royalties to be charged to KFA amounts to £42,565 (2021 - £23,819) and charged by KFA amounts to £29,527 (2021 - £32,904). The amount calculated as due from KFA amounts to £13,002 (2021 - £24,229) and due to KFA amounts to £nil (2021 - £32,300).

Donations from Trustees to the charity for various purposes amount to £292 (2021 - £289) throughout the year.

24 Trustees' liability insurance

An insurance policy exists, as part of the Charity's normal insurance policy, indemnifying any insured individual for any wrongful act (as defined in the policy) in their capacity as a governor, principal, officer or employee.

25 Cash generated from operations	2022 £	2021 £
Surplus for the year	393,491	746,521
Adjustments for:		
Depreciation and impairment of tangible fixed assets	222,976	204,344
Increase/(decrease) in provision	18,959	(11,375)
Profit on disposal of tangible fixed assets	(7,372)	
Movements in working capital:		
(Increase) in stock	(1,029)	(8,410)
(Increase)/decrease in debtors	363,854	(278,178)
Increase in creditors due within one year	185,044	127,678
Cash (absorbed by)/generated from operations	1,175,923	780,580

26 Analysis of changes in net debt

	1 August 2021 £	Cash flows £	31 July 2022 £
Cash at bank and in hand	3,850,694	874,273	4,724,967
Borrowings including Coronavirus interruption loan	(650,000)	108,334	(541,666)
	3,200,694	982,607	4,183,301