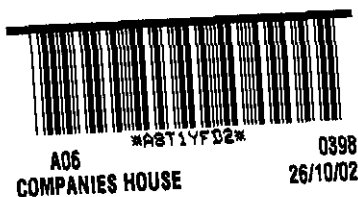


**IMPERSONAL ENLIGHTENMENT FELLOWSHIP
LONDON LIMITED**

FINANCIAL STATEMENTS

31 DECEMBER 2001

Company Registration No. 2879087



**Michael Jellicoe
Chartered Accountant
59 Knowle Wood Road
Dorridge
West Midlands
B93 8JP**

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED**CONSTITUTION**

Impersonal Enlightenment Fellowship London Limited (IEFL) is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

LEGAL AND ADMINISTRATIVE DETAILS

Company Number 2879087

Charity Registration Number 1050701

DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the directors. As set out in the Articles of Association, the directors are responsible for the appointment of new directors..

The Trustees serving during the year and since the year end are:-

Tabrez Niazi
Stephen Brett
Ernest Mavrides
Christopher Parish - appointed 30 May 2001

All of the directors are members of the company. In the event of the company being wound up, each member guarantees to contribute £1 to the company.

COMPANY SECRETARY

Peter Simmons

REGISTERED OFFICE AND OPERATIONAL ADDRESS

Centre Studios
Englands Lane
London
NW3 4YD

AUDITORS

Michael Jellicoe
Chartered Accountant and Registered Auditor
59 Knowle Wood Road
Dorridge
West Midlands
B93 8JP

BANKERS

CAF Cash Limited
Kings Hill
West Malling
Kent
ME19 4TA

National Westminster Bank
185 Haverstock Hill
London
N19 4QH

SOLICITORS

Bircham Dyson Bell
1 Dean Farrar Street
London
SE1H 0DY

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

REPORT OF THE TRUSTEES (DIRECTORS) YEAR ENDED 31 DECEMBER 2001

The directors have pleasure in presenting their report and the financial statements of Impersonal Enlightenment Fellowship London Limited (IEFL) for the year ended 31 December 2001.

Details of officers and professional advisers set out on page 1 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (issued October 2000).

OBJECTS OF IEFL

The objects of the company are to promote for the benefit of the public in Europe the teachings of Andrew Cohen concerning spiritual enlightenment and self realisation.

ORGANISATION AND POLICIES TO ACHIEVE OBJECTIVES

In pursuance of its objective, IEFL continues to maintain a retreat and administrative centre at Englands Lane, London NW3, as well as organising a variety of events and activities in the UK and in Europe centred around the teachings of Andrew Cohen. We have also purchased a property in Islington which will become the new retreat and administrative centre when refurbishment is completed in late summer 2003.

REVIEW OF THE YEAR

The year 2001 has brought great change to the Impersonal Enlightenment Fellowship London Ltd. At the date of this report due to the purchase and refurbishment of our new headquarters in Islington, IEFL is experiencing a financial transformation that is having wide ranging effects on the way we manage our financial affairs.

The London Centre maintained its programme of regular evening events, which include public meditations twice a week (Mondays and Thursdays), Discussions on Thursday evenings and Video Showings on Sundays. The Centre is open weekdays from 10am to 5pm and on Saturdays from midday to 5pm. The public are free to use the facilities at the Centre to watch a video, listen to an audio tape and read the books and the magazines published by Moksha Press. They can also purchase these publications, subscribe to the magazine *What Is Enlightenment?*, and also join our video library and borrow tapes on a regular basis.

We held three One Day Events at the Centre: January 7th *'The Thrill of the Unknown'*, June 18th *'Who Am I? & How Shall I Live?'* and July 14th *'The Psychology of Liberation'*. These provided an opportunity for members of the public to explore different aspects of these Liberation Teachings and to discover the relevance of the enlightened perspective in their lives.

Andrew Cohen visited the UK twice during the year. He was invited to speak again at 'Alternatives, St James Piccadilly' in London in May and was invited to speak at 'The Theosophical Society' in Glasgow, also in May. In November he was invited to speak again at 'Alternative Waves' in Cardiff. He also gave public teachings in London in May and November/December.

Andrew's summer two week retreat was held again at Les Courmettes in the South of France, which was attended by 300 people from around the world. Andrew also gave public teachings in France, Holland, Germany, Sweden and Denmark.

Moksha Press continued its series of multimedia presentations based on the content of the magazine *What Is Enlightenment?* These were held in Borders Bookstores in London, Brighton, Oxford and Glasgow throughout the summer. The presentation was based on the issue *'Can Enlightenment Save the World?'* and explores the importance of discovering an enlightened perspective to deal with the current ecological crisis facing the planet. It featured the work of recognised spiritual thinkers from many different traditions and scientific disciplines including Roshi Bernie Glassman, Rabbi Michael Lerner, Brother Wayne Teasdale, Duane Elgin and Brian Swimme.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

REPORT OF THE TRUSTEES (DIRECTORS) YEAR ENDED 31 DECEMBER 2001 (continued)

REVIEW OF THE YEAR (continued)

Moksha Press also had a stall at various 'Holistic' Exhibitions and Festivals throughout the year, including London, Glasgow, Winchester, Brentwood, Brighton and Bristol. We also had stalls at Conferences relating to Environmental issues (Schumacher Lecture in Manchester in April) and Consciousness Studies (Scientific & Medical Network Conference in April). Finally we organised a short book tour giving readings from Andrew's latest book 'Embracing Heaven & Earth', in Scotland in April (Glasgow, Stirling and Edinburgh) and in Brighton in May. At this time we also took on a Sales Agency/Book Distribution Company (Four Corners Sales Agency) to promote and distribute Moksha Press Titles to the Book trade.

In September actor Linus Roache hosted the premiere of his latest movie 'Pandemonium' as a joint fundraising and promotional event for 'What Is Enlightenment?' magazine and Greenpeace. The event was a great success and we are looking forward to developing relationships with other organisations in related areas of interest.

Towards the end of the year we began to develop a relationship with The Prince's Foundation in connection with the development and refurbishment of the new building in Islington. They are using IEF as a case study in urban regeneration.

A New Centre in Islington

The purchase and planned refurbishment of the new property at 13 Windsor Street, Islington is the result of a concerted effort that lasted three years to find the ideal location for IEFL. Once again many IEFL supporters showed their great appreciation and loyalty in giving generously. Several weeks after we located the property, we were able to purchase it in June 2001, with the help of a mortgage from Triodos Bank in Bristol.

The planning process for refurbishment was started immediately, employing a team of professional supporters including an architect and project manager. Since the project got under way we have learnt many lessons about the complexities and challenges of a construction project of this scale and nature, the financial impact of time delays and the need for professional advice from local experts. Our initial plans were very modest, but soon it became clear that the property has the potential for further development, with the added benefits of increasing the value of our investment whilst also meeting our future projected needs. We therefore decided to add a 4th and 5th floor which will increase our floor space by about 300% over that at our current centre in Belsize Park. Triodos Bank has proved to be an invaluable source of continuous encouragement, advice and investment and apart from the £750,000 mortgage arranged for the purchase of the building we agreed on another draw-down loan of £750,000 for construction. In the meantime IEFL has raised all additional money needed for the £1.5m refurbishment, and will continue to raise money in order to pay back the mortgage and construction loan as soon as possible.

Construction will now start in December 2002 or January 2003 and we plan to move into a completely transformed building in the late summer of 2003.

Our Current Centre in Belsize Park

Our current Centre in Belsize Park has continued to function. However the diversion of funds to the New Centre Project has meant that it has been necessary to scrutinise the scope of our current operations. Simultaneously our rent in Belsize Park has increased dramatically. However, cash reserves have proved to be sufficient for this interim period and in 2002 we have cut back our expenses extensively to ensure continued financial stability.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED**REPORT OF THE TRUSTEES (DIRECTORS)
YEAR ENDED 31 DECEMBER 2001 (continued)****REVIEW OF THE YEAR (continued)****Moksha Press**

In December 2001 we took on a new Marketing Director who has been working with Marketing Consultants developing new initiatives to increase distribution of Moksha Press titles, and developing closer relationships with our major retail outlets. With the arrival of a new Finance Manager, a major review of the financial basis of Moksha Press is currently under way and new systems are being implemented to generate accurate reports with useful trading indicators. In the summer of 2002 we started a new stock control system which will enable us to control our costs and plan our sales and investments more accurately.

Risk Management

There have been many changes in staff and this has had an effect on some aspects of our operations. This has revealed our main business risks to be:-

- (1) the effects of staff changes on the expertise and experience within IEF London; and
- (2) financial vulnerability because our main income is currently provided by donations.

In 2002 we therefore are concentrating on developing: -

- (1) a better documentation and management structure to enable smooth staff changes.
- (2) new sources of income through business development to make IEFL not solely dependent on donations.

General Finance Management

At the time of writing this our management has improved greatly in various areas like cost control, cost allocation, stock management, sales figures, fixed asset management, restricted fund management, financial decision making and business development. Obviously the fact that we now own our own property and need to carry out a substantial refurbishment, while still located in an expensive leasehold property, has forced us to manage our finances more efficiently and plan carefully for the future.

Restricted Funds

As our restricted donations have increased significantly we have had to improve our systems to track our restricted funds. We therefore created a new fund for donations for our new Centre and have worked to ensure the timing of their receipt matches our cash flow needs. All Gift Aid and interest on these amounts are tracked carefully and are allocated accordingly.

Vision for 2002 – 2003

Our vision for the next few years is based around our new premises in Islington and our first target is to refurbish our new building and move in by late summer 2003. Having three times as much space available will open up many new possibilities for IEFL. We will soon be occupying a landmark building in Islington, which means we can put on much larger events using our own space, increase the scope of our production departments, and use our assets for business development to support the running costs of the organisation. We are currently in the process of setting up a subsidiary company to provide us with the legal framework to pursue these commercial opportunities.

Our aim in Islington is to develop relationships with other organisations in related fields by developing a range of interesting events, creating a forum for debate into the spiritual issues of our time. We will also continue to organise a range of events that will bring Andrew Cohen's vision to a broader audience.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED**REPORT OF THE TRUSTEES (DIRECTORS)
YEAR ENDED 31 DECEMBER 2001 (continued)****RESULTS AND FINANCIAL REVIEW**

IEFL has enjoyed another successful year. The company received several large one off donations from supporters which totalled £824,857 (net of tax recoveries). This total includes £760,542 in respect of funds donated for the new centre for IEFL. Further large donations for this cause are expected in 2002. One off donations totalled £254,888 in the previous year. There is now a core of supporters who pledge substantial donations each year. Regular donations taken at meetings and also by standing order have decreased to £103,019 from £111,276 last year. This is disappointing but reflects the changing emphasis towards building up funds for the new centre.

The sales of educational media (books, the *What is Enlightenment?* Journal and audit and video tapes) fell to £38,337 (2000 - £53,269). Salary costs increased to £94,580 (2000 - £83,804) and the rent on IEFL's current Centre rose to £88,900 pa (2000 - £77,933).

The accounts show a surplus for the year of £858,612 (2000 - £208,448) which increases total funds to £1,345,104 at 31 December 2001. The state of affairs of the company is set out in the Balance Sheet on page 9. The directors consider the state of affairs to be satisfactory and a firm base for its activities in the future.

RESERVES POLICY

The Balance Sheet on page 9 shows that the company has generated significant reserves. These are important to provide a financially stable base for the company whose annual running costs are around £300,000. It is the view of the directors that cash reserves should be kept at a minimum of £75,000 to meet emergency needs. Long term the directors will seek to build up cash reserves sufficient to match the level of running costs for the full year. Surplus cash reserves at the year end above £75,000 have been applied towards the redevelopment of the new centre.

RISK REVIEW

As reported above, the directors have conducted a review of the major risks to which the company is currently exposed in order to determine whether the systems and procedures it has in place are sufficient to mitigate those risks. Internal financial risks are minimised by the implementation of budgetary controls and procedures for authorisation of all transactions both of which are designed to ensure consistent delivery of all operational aspects of the company. Risks to assets are mitigated through internal procedures to promote vigilance, security measures and adequate insurance.

NON MONETARY DONATIONS

There are no amounts recorded in the accounts for the significant value of the non monetary donations of time and resources supplied to the company by individuals. It is the view of the Trustees that such services cannot be quantified with any degree of reliability.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED**REPORT OF THE TRUSTEES (DIRECTORS)
YEAR ENDED 31 DECEMBER 2001 (continued)****STATEMENT OF RESPONSIBILITIES OF DIRECTORS/TRUSTEES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:-

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

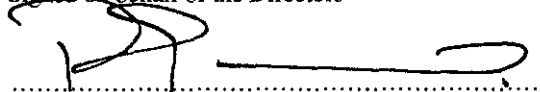
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of Schedule 8 of the Companies Act 1985.

Registered Office: Centre Studios
Englands Lane
London NW3 4YD

Signed on behalf of the Directors


.....
Peter Simmons – Company Secretary

Approved by the Directors on 24 October 2002

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IMPERSONAL
ENLIGHTENMENT FELLOWSHIP LONDON LIMITED FOR THE YEAR
ENDED 31 DECEMBER 2001**

I have audited the attached financial statements on pages 8 to 17 of Impersonal Enlightenment Fellowship London Limited for the year ended 31 December 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of Impersonal Enlightenment Fellowship London Limited for the purposes of company law) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees Responsibilities.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding Trustees remuneration and transactions with the charity is not disclosed.

I read other information contained in the Trustees Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2001 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

M. Jellicoe

MICHAEL JELLCOE
Chartered Accountant and Registered Auditor
59 Knowle Wood Road
Dorridge
West Midlands
B93 8JP

24 October 2002

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2001

			2001		
	Notes	Unrestricted Funds £	Restricted Funds £	Total £	2000 £
Incoming Resources:					
Donations	1(b)	149,880	926,470	1,076,350	422,450
Subscriptions		4,721	-	4,721	-
Media sales		38,337	-	38,337	53,269
Retreats		-	10,553	10,553	3,413
Activities to generate funds:					
Fundraising events		7,101	-	7,101	21,636
Appeals		-	7,151	7,151	24,525
Interest receivable		2,270	16,119	18,389	18,000
		202,309	960,293	1,162,602	543,293
Less: Costs of generating funds	2	(1,366)	-	(1,366)	(25,003)
Net incoming resources available for charitable application		200,943	960,293	1,161,236	518,290
Resources expended:					
Charitable expenditure:					
Information and education	3	34,020	36,414	70,434	99,573
Events and retreats	3	15,408	11,865	27,273	28,874
Costs of IEFL Centre	3	109,389	-	109,389	105,680
Support costs	3	69,407	8,840	78,247	79,230
Management and administration	4	8,356	-	8,356	7,903
Total charitable expenditure		236,580	57,119	293,699	321,260
Total resources expended		237,946	57,119	295,065	346,263
Net income/(expenditure) for the year before transfers		(35,637)	903,174	867,537	197,030
Gross transfers between funds	14	2,000	(2,000)	-	-
Net incoming/(outgoing) resources before revaluation of investment assets		(33,637)	901,174	867,537	197,030
(Losses)/gains on revaluation of investment assets	8	-	(8,925)	(8,925)	11,418
Net movement in funds		(33,637)	892,249	858,612	208,448
Total funds brought forward		349,712	136,780	486,492	278,044
Total funds carried forward		£316,075	£1,029,029	£1,345,104	£486,492

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

The notes on pages 10 to 17 form part of these financial statements

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	7	1,647,657	29,124
Investments	8	40,187	49,112
		<u>1,687,844</u>	<u>78,236</u>
CURRENT ASSETS			
Stocks	9	19,851	11,049
Debtors	10	90,711	37,661
Cash at bank and in hand		395,903	384,435
		<u>506,465</u>	<u>433,145</u>
CREDITORS: Amounts falling due within one year	11	<u>47,140</u>	<u>24,889</u>
NET CURRENT ASSETS		<u>459,325</u>	<u>408,256</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,147,169</u>	<u>486,492</u>
CREDITORS: Amounts falling due after more than one year		802,065	-
NET ASSETS		<u>£1,345,104</u>	<u>£486,492</u>
CAPITAL AND RESERVES			
Unrestricted funds		316,075	349,712
Restricted funds	13, 14	1,029,029	136,780
TOTAL EQUITY SHAREHOLDERS FUNDS		<u>£1,345,104</u>	<u>£486,492</u>

The accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the Directors on 24 October 2002 and are signed on their behalf by:

TABREZ NIAZI
Director



The notes on pages 10 to 17 form part of these financial statements

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

a) Basis of accounting

These accounts have been prepared under the historical cost accounting convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.

b) Donations, legacies and similar incoming resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. Gifts of assets are included at their valuation on the date of the gift; where available market valuation is used; if not the estimate of value is agreed by the directors in consultation with the donor.

c) Income from teachings and publications

Income from teachings and publications represents amounts raised during the year, from the charges for attending lectures and retreats and from the sale of educational materials.

d) Intangible income

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

e) Trading activities

Trading activities are activities undertaken in direct pursuance of the company's main objects.

f) Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include any VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Certain costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by personnel on those activities.

g) Costs of generating funds

Costs of generating funds incorporate the salaries, direct expenditure and overhead costs of the staff who undertake fundraising work.

h) Direct charitable expenditure

Direct charitable expenditure comprises those costs incurred in pursuing the charitable aims of the company. In particular they include:

- (i) Costs of running the IEFLL Centre.
- (ii) Cost of organising events and publishing materials promoting the teachings of Andrew Cohen.
- (iii) Support costs which reflect the cost of servicing the company's main charitable activities.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

i) Management and administration costs

Management and administration costs are those costs incurred in the management of the company's assets, organisation and compliance functions.

j) Fund Accounting

Funds held by the company are either:-

- (a) Unrestricted general funds – these are funds without specified purpose and are available as general funds.
- (b) Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- (c) Restricted funds – these are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

k) Depreciation

Depreciation is calculated so as to write off the cost of fixed assets over their anticipated useful life. It is applied at the following rates:-

Leasehold improvements	-	10% straight line
Furniture and fixtures	-	10% straight line
Office equipment	-	25% reducing balance

Assets costing less than £100 are not capitalised. Impairment reviews on all assets are conducted annually by the Trustees.

Freehold property represents cost of IEFL's new centre. No depreciation has been charged as the asset was not in use at the year end. Finance costs are being capitalised during the period of redevelopment of the new centre. This policy will cease once the centre is ready for use.

l) Operating Leases

Rentals are charged to the income and expenditure account in equal annual amounts over the period of the lease

m) Fixed Asset Investments

Investments are included at closing mid market value at the balance sheet date. Any gain or loss is taken to the Statement of Financial Activities.

n) Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value represents the selling price of goods held for resale less all costs to be incurred in marketing, selling and distributing them.

(o) Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the year. Foreign exchange differences are dealt with in the income and expenditure account.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

2. COSTS OF GENERATING FUNDS

	<u>Unrestricted</u>	<u>2001</u> <u>Restricted</u>	<u>Total</u>	<u>2000</u>
	<u>Funds</u>	<u>Funds</u>	<u>£</u>	<u>£</u>
	<u>£</u>	<u>£</u>		
Salaries	-	-	-	14,170
Cost of fundraising events	1,366	-	1,366	10,833
	-----	-----	-----	-----
	£1,366	£ -	£1,366	£25,003
	=====	=====	=====	=====

3. CHARITABLE EXPENDITURE

	<u>Unrestricted</u>	<u>2001</u> <u>Restricted</u>	<u>Total</u>	<u>2000</u>
	<u>Funds</u>	<u>Funds</u>	<u>£</u>	<u>£</u>
	<u>£</u>	<u>£</u>		
Information and education:				
Books, journals and tapes	18,102	-	18,102	37,278
Advertising and marketing	2,036	11,822	13,858	31,677
Salaries	13,882	24,592	38,474	30,618
	-----	-----	-----	-----
	£34,020	£36,414	£70,434	£99,573
	=====	=====	=====	=====
Event and retreat costs:				
Salaries	-	3,150	3,150	8,232
Accommodation	2,573	-	2,573	5,910
Venue hire	4,601	-	4,601	5,051
Catering	5,469	-	5,469	6,598
Retreat costs	-	8,715	8,715	2,036
Other costs	2,765	-	2,765	1,047
	-----	-----	-----	-----
	£15,408	£11,865	£27,273	£28,874
	=====	=====	=====	=====
Cost of IEFL Centre:				
Rent and rates	94,919	-	94,919	83,609
Light and heat	4,257	-	4,257	4,022
Insurance	3,488	-	3,488	4,840
Other costs	6,725	-	6,725	13,209
	-----	-----	-----	-----
	£109,389	£ -	£109,389	£105,680
	=====	=====	=====	=====
Support costs:				
Salaries	25,058	8,577	33,635	28,164
Telephone fax and e-mail	14,102	-	14,102	14,679
Printing costs	1,352	-	1,352	480
Postage and carriage	8,332	-	8,332	10,271
Stationery	2,995	-	2,995	6,147
Depreciation	8,680	-	8,680	3,839
Other support costs	8,888	263	9,151	15,650
	-----	-----	-----	-----
	£69,407	£8,840	£78,247	£79,230
	=====	=====	=====	=====

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

4. MANAGEMENT AND ADMINISTRATION

	<u>Unrestricted</u>	<u>2001</u> <u>Restricted</u>	<u>Total</u>	<u>2000</u>
	<u>Funds</u>	<u>Funds</u>		
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Audit and Accountancy	4,215	-	4,215	2,882
Salaries	666	-	666	2,620
Legal and professional	2,136	-	2,136	767
Other administration costs	1,339	-	1,339	1,634
	<u>£8,356</u>	<u>£ -</u>	<u>£8,356</u>	<u>£7,903</u>

5. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
This is stated after charging:-		
Operating lease charges - premises	88,900	77,933
- plant and machinery	831	600
Directors'/trustees' emoluments	-	-
Depreciation	8,682	6,135
Auditor's remuneration	4,215	2,882
	<u>£94,580</u>	<u>£83,804</u>

Travelling expenses of £1,085 were paid to one trustee/director during the year (2000 - £nil).

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Salary costs:		
Gross salary	87,166	76,909
Social security costs	7,414	6,895
	<u>£94,580</u>	<u>£83,804</u>

The average number of employees during the period was 6 (2000 - 4).

No member of staff earned more than £50,000 pa (2000 - none).

6. TAXATION

It is estimated that there is no liability to taxation for the year. The Company is a registered charity and it is considered that its activities are such that no taxation liability will arise.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

7. TANGIBLE FIXED ASSETS

	<u>Freehold Property</u>	<u>Leasehold Improvements</u>	<u>Motor Vehicles</u>	<u>Equipment Furniture and Fittings</u>	<u>Total</u>
	£	£	£	£	£
<u>COST</u>					
At 1 January 2001	4,272	4,354	-	49,207	57,833
Additions	1,616,728	-	6,700	3,787	1,627,215
	-----	-----	-----	-----	-----
At 31 December 2001	£1,621,000	£4,354	£6,700	£52,994	£1,685,048
	=====	=====	=====	=====	=====
<u>DEPRECIATION</u>					
At 1 January 2001	-	3,082	-	25,627	28,709
Charge for year	-	436	1,675	6,571	8,682
	-----	-----	-----	-----	-----
At 31 December 2001	£ -	£3,518	£1,675	£32,198	£37,391
	=====	=====	=====	=====	=====
<u>NET BOOK VALUE</u>					
At 31 December 2001	£1,621,000	£836	£5,025	£20,796	£1,647,657
	=====	=====	=====	=====	=====
At 31 December 2000	£4,272	£1,272	£ -	£23,580	£29,124
	=====	=====	=====	=====	=====

The costs attributable to IEFL's new centre have not been depreciated as the asset was not in use at the year end.

Finance costs of £28,828 have been capitalised as part of the cost of the freehold property. This amount represents both the amount of finance costs capitalised during the period and the aggregate amount of finance costs included in the cost of the property. No finance costs related to the property were recognised in the Statement of Financial Activities during the year. Finance costs for the year were determined at a rate of base rate plus 1.5%.

8. INVESTMENTS

	£
Market value at 1 January 2001	49,112
Change in market value during year	(8,925)

Market value at 31 December 2001	£40,187
	=====

The investments are listed on the UK Stock Exchange.

9. STOCKS

	<u>2001</u>	<u>2000</u>
	£	£
Goods held for resale	£19,851	£11,049
	=====	=====

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

10. DEBTORS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Trade debtors	8,348	8,753
Other debtors	78,051	26,176
Prepayments	4,312	2,732
	-----	-----
	£90,711	£37,661
	=====	=====

11. CREDITORS: Amounts falling due within one year

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Trade creditors	27,360	14,726
Other creditors	4,668	6,087
Taxation and social security	1,331	23
Accruals and deferred income	13,781	4,053
	-----	-----
	£47,140	£24,889
	=====	=====

12. CREDITORS: Amounts falling due after more than one year

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Bank Loans	£802,065	£ -
	=====	=====

The bank loans are secured on the charity's freehold property. The loan balances represent approximately 50% of the cost of the freehold at 31 December 2001. £660,208 of the loans is repayable by instalments after more than five years.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The closing balances of funds are represented by the following balance sheet items:-

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>£</u>
	<u>£</u>	<u>£</u>	
Fixed assets	26,657	1,621,000	1,647,657
Investments	-	40,187	40,187
Stocks	19,851	-	19,851
Debtors	65,711	25,000	90,711
Cash at bank	237,552	158,351	395,903
Creditors	(33,696)	(815,509)	(849,205)
	-----	-----	-----
	£316,075	£1,029,029	£1,345,104
	=====	=====	=====

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)

14. RESTRICTED FUNDS

	<u>1 January 2001</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Transfers</u>	<u>At 31</u>
	<u>£</u>	<u>Resources</u>	<u>Resources</u>	<u>£</u>	<u>December 2001</u>
		<u>£</u>	<u>£</u>		<u>£</u>
Restricted funds:					
Events and retreats	1,420	10,553	(8,715)	-	3,258
New Centre	115,160	877,159	(8,925)	-	983,394
WIE Appeal	4,037	7,151	(11,188)	-	-
Salaries	16,163	62,533	(36,319)	-	42,377
Other	-	2,897	(897)	(2,000)	-
	-----	-----	-----	-----	-----
Total Restricted Fund	<u>£136,780</u>	<u>£960,293</u>	<u>£(66,044)</u>	<u>£(2,000)</u>	<u>£1,029,029</u>
	=====	=====	=====	=====	=====

Purposes of restricted funds:

Events and retreats: The fund represents retreats and other events intended to promote the teachings of Andrew Cohen.

New Centre: This fund was established to provide funds for the purchase and development of IEFL's new centre in London. Premises for IEFL's new centre were purchased during the year. Refurbishment of these premises is currently under way. As a result donations received from members of IEFL's community to fund the purchase and refurbishment increased significantly this year. The fund will continue to be used for further work on the premises.

WIE Appeal: The appeal was set up to raise awareness of the 'What is Enlightenment?' journal and to increase sales of media products associated with Andrew Cohen's teachings.

Salaries: Certain staff salaries are funded by donations.

Other: Other funds represent sundry donations made to cover a range of expenditure incurred by IEFL.

In the trustees' opinion there are sufficient resources to enable each fund to be applied in accordance with the restrictions imposed by the donor.

A transfer of £2,000 relating to the purchase of a motor vehicle was made to unrestricted funds as there are no further restrictions imposed by the donor over the use of the asset.

15. COMPANY LIMITED BY GUARANTEE

The company has no share capital being limited by guarantee. There are five members of the company, each of whom has undertaken to contribute £1 in the event of the company being wound up.

IMPERSONAL ENLIGHTENMENT FELLOWSHIP LONDON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001 (cont)**

16. OPERATING LEASE COMMITMENTS

At 31 December 2001 the company had the following annual commitments under operating leases:-

	<u>Land and Buildings</u>	<u>Other</u>
	£	£
Expiring within one year	£ -	£150
	====	====

17. RELATED PARTIES

One of the trustees/directors, Tabrez Niazi, made donations totalling £118,782 to the charity during the year. There are no amounts due to or from him at the balance sheet date.