

**IFOUNDATION (LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
31 AUGUST 2011**

Charity Number 1105545

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FOUNDATION (LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

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FOUNDATION (LIMITED BY GUARANTEE)

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 AUGUST 2011

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 August 2011

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	IFoundation (Limited by Guarantee)
Charity registration number	1105545
Company registration number	05137350
Principal office	17 Lynwood Heights Rickmansworth Hertfordshire WD3 4ED
Registered office	17 Lynwood Heights Rickmansworth Hertfordshire WD3 4ED

THE TRUSTEES

The trustees who served the company during the period were as follows

Mr Nitesh Gor
Dr Prashun Popat
Mr Dilip Patel
Mr Ramesh H Shah
Mr Sanjiv Kumar Agarwal
Mr Upendra Kalan
Mr Sanjay Gadhvi
Mr Yuvraj Rana

Dr Prashun Popat retired as a trustee on 15 September 2010
Mr Pradip Gajjar was appointed as a trustee on 18 September 2011
Miss Sheila Dave was appointed as a trustee on 18 September 2011
Mr Shailesh Patel was appointed as a trustee on 26 February 2012
Mr Dilip Patel retired as a trustee on 26 February 2012
Mr Ramesh H Shah retired as a trustee on 26 February 2012
Mr Sanjiv Kumar Agarwal retired as a trustee on 26 February 2012
Mr Sanjay Gadhvi retired as a trustee on 26 February 2012
Mr Yuvraj Rana retired as a trustee on 26 February 2012
Miss Sheila Dave retired as a trustee on 26 February 2012

Secretary	Mr Upendra Kalan
Auditor	R K Raja & Co Chartered Accountants & Statutory Auditor 21 Whitehouse Way London N14 7LX

IFoundation (LIMITED BY GUARANTEE)

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2011

Bankers

HSBC PLC
18a Curzon Street
Mayfair
London
W1J 7LA

Solicitors

Blake Lapthorn Tarlo Lyons
Watchmaker Court
33 St John's Lane
London
EC1M 4DB

STRUCTURE, GOVERNANCE AND MANAGEMENT

The IFoundation is a registered charity and is controlled by its governing document, a Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies Act 2006, which does not have a share capital. The directors therefore do not have any financial interest in the company nor are there any significant contracts in which they have a material interest.

The directors who served during the year and since the year-end are set out on page 1. The directors who are also trustees meet regularly to discuss the affairs of the charity and to assess and approve grant applications, if any, through a Distribution Committee, which has been established to supervise donations of the charity.

RISK MANAGEMENT

The trustees regularly monitor the charity's functions to assess any risks that may arise and take steps to mitigate them.

OBJECTIVES AND ACTIVITIES

The objects of the IFoundation are to advance, transmit, spread and propagate the religion of Hinduism, as revealed in the teachings of the Hindu scriptures, specifically Bhagvad Gita and Shrimad Bhagvatam, and the doctrines of and observances that serve to promote and manifest the said religion and in furtherance of this object but not otherwise, the IFoundation shall have the following powers:

- (1) To educate the public generally in an awareness of God and promote a simpler and more natural way of life
- (2) To build or assist in building schools, temples, colleges, hospitals, hostels or other buildings in connection with and for the advancement of the objects of the IFoundation, and to maintain, alter and improve the same including existing buildings and to furnish and equip the same
- (3) To spread, transmit and propagate the teachings of the Bhagvad Gita, and the Shrimad Bhagvatam and the doctrines that manifest the religion of Hinduism through various forms of media and television
- (4) To print, publish, sell or cause to be printed, published, sold or, if thought fit, to distribute gratuitously books, booklets, leaflets and the like for the purpose of giving information in regard to the work of the IFoundation
- (5) To relieve suffering and poverty as a means of expressing key tenants of the religion of Hinduism

FOUNDATION (LIMITED BY GUARANTEE)

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2011

ACHIEVEMENTS AND PERFORMANCE

The trustees are pleased to report that both our Krishna-Avanti Primary School in Harrow and Leicester are operating successfully. We are also pleased to report that recently OFSTED rated Krishna-Avanti Primary School Harrow as Good and Outstanding in some areas. We will continue our endeavours to make both our schools Outstanding. Our bid for the Primary School in Redbridge was successful and we are scheduled to open on 1 September 2012. In June 2011 we submitted a proposal to the DfE to open the first Hindu All Through School in either Harrow or Barnet and we are delighted to report that the DfE approved our application. The All Through School is scheduled to open its doors to 60 primary school children and 180 secondary school children. Over the years the school will grow to approximately 1,600 pupils. We are also pleased to report that Croydon Council have agreed to our proposal to open a Hindu Primary School in Croydon in September 2013. We have lodged a proposal with the DfE to convert the Primary School at the Bhaktivedanta Manor to an academy. The outcome will become known in August 2012.

FINANCIAL REVIEW

IFoundation's affairs and activities for the year are presented in the attached financial statements which show an excess of income over expenditure of £107,416 (2010 £144,650 and prior year adjustment of £10,845,158). The balances of the unrestricted funds were £500,959 (2010 £552,414) and the balance of the restricted funds were £11,126,529 (2010 £122,500 and prior year adjustment of £10,845,158).

PROJECTS

The two projects we have for the next few months is to open the primary school in Redbridge and the All Through school in Harrow/Barnet.

PLANS FOR FUTURE

The charity's main aspirations are to continue to follow its core educational objectives throughout the forthcoming years to develop primary and secondary Hindu faith schools in Greater London and the Midlands.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of IFoundation (Limited by Guarantee) for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

FOUNDATION (LIMITED BY GUARANTEE)

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2011

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

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

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 proper 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. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

R K Raja & Co have been re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

Registered office
17 Lynwood Heights
Rickmansworth
Hertfordshire
WD3 4ED

Signed by order of the trustees



MR UPENDRA KALAN
Company Secretary

29 May 2012

FOUNDATION (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDATION (LIMITED BY GUARANTEE)

YEAR ENDED 31 AUGUST 2011

We have audited the financial statements of Foundation (Limited by Guarantee) for the year ended 31 August 2011 on pages 7 to 14, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and on the basis of the accounting policies set out on pages 9 to 10

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of Foundation (Limited by Guarantee) for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on pages 3 to 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

IFOUNDATION (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IFOUNDATION (LIMITED BY GUARANTEE) *(continued)*

YEAR ENDED 31 AUGUST 2011

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 August 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees Annual Report is consistent with the financial statements

R K Raja

R K RAJA FCA (Senior Statutory Auditor)
For and on behalf of
R K RAJA & CO
Chartered Accountants & Statutory Auditor

21 Whitehouse Way
London
N14 7LX

29 May 2012

FOUNDATION (LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 (Restated) £
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	2	31,858	–	31,858	236,665
Investment income	3	20	–	20	47
Incoming resources from charitable activities	4	–	479,057	479,057	11,126,447
TOTAL INCOMING RESOURCES		<u>31,878</u>	<u>479,057</u>	<u>510,935</u>	<u>11,363,159</u>
RESOURCES EXPENDED					
Charitable activities	5/6	–	(21,702)	(21,702)	–
Governance costs	7	(83,333)	(298,484)	(381,817)	(373,351)
TOTAL RESOURCES EXPENDED		<u>(83,333)</u>	<u>(320,186)</u>	<u>(403,519)</u>	<u>(373,351)</u>
NET INCOMING RESOURCES FOR THE YEAR/NET INCOME FOR THE YEAR	8	(51,455)	158,871	107,416	10,989,808
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>552,414</u>	<u>10,967,658</u>	<u>11,520,072</u>	<u>530,264</u>
TOTAL FUNDS CARRIED FORWARD		<u>500,959</u>	<u>11,126,529</u>	<u>11,627,488</u>	<u>11,520,072</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 9 to 14 form part of these financial statements.

FOUNDATION (LIMITED BY GUARANTEE)

BALANCE SHEET

31 AUGUST 2011

		2011	2010
	Note	£	(Restated) £
FIXED ASSETS			
Tangible assets	11	12,802,806	13,046,337
CURRENT ASSETS			
Debtors	12	667,518	20,962
Cash at bank		28,898	65,309
		<u>696,416</u>	<u>86,271</u>
CREDITORS: Amounts falling due within one year	14	<u>(144,734)</u>	<u>(210,536)</u>
NET CURRENT ASSETS/(LIABILITIES)		551,682	(124,265)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,354,488</u>	<u>12,922,072</u>
CREDITORS: Amounts falling due after more than one year	15	(1,727,000)	(1,402,000)
NET ASSETS		<u>11,627,488</u>	<u>11,520,072</u>
FUNDS			
Restricted funds	16	11,126,529	10,967,658
Unrestricted income funds	17	500,959	552,414
TOTAL FUNDS		<u>11,627,488</u>	<u>11,520,072</u>

These financial statements were approved by the members of the committee on the 29 May 2012 and are signed on their behalf by



MR NITESH GOR
Director

Company Registration Number 05137350

The notes on pages 9 to 14 form part of these financial statements.

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Gifts in kind

The charity receives the benefit of work carried out by volunteers and receives the use of facilities and equipment without charge. No value is placed on these items, except where the benefit extends over several periods, in which case they are valued and included in the balance sheet at a reasonable valuation

Resources expended

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Government grants

Grants receivable are recognised in the statement of financial activities in full in the year in which they become receivable, that is when the conditions for receipt have been met

Fixed assets

All fixed assets are initially recorded at cost

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

1. ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Building	- Over 50 years
Plant & Equipment	- Over 10 years

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations	<u>31,858</u>	<u>31,858</u>	<u>236,665</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	<u>20</u>	<u>20</u>	<u>47</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Krishna Avanti-Primary School development	453,691	453,691	281,289
Deferred Grant Balance	-	-	10,845,158
Leicester School development	<u>25,366</u>	<u>25,366</u>	<u>-</u>
	<u>479,057</u>	<u>479,057</u>	<u>11,126,447</u>

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES *(continued)*

Prior year adjustment:

In prior periods the government grants received were treated as deferred income which is not in accordance with the Statement of Recommended Practice (SORP 2005). The prior year adjustment has therefore been made to reclassify the deferred income to restricted capital fund.

The effect of this adjustment on the figures previously reported are as follows

	2010 as restated £
Balance sheet- Increase in restricted fund	<u>10,845,158</u>
Balance sheet- Decrease in grant balance	<u>10,845,158</u>

The revised balance of restricted fund is as follows

Balance previously stated	122,500
Add Transfer of deferred grant balance	<u>10,845,158</u>
Balance restated	<u>10,967,658</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Leicester school development costs	<u>21,702</u>	<u>21,702</u>	<u>—</u>

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2011 £	Total Funds 2010 £
Leicester school development costs	<u>21,702</u>	<u>21,702</u>	<u>—</u>

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

7. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Insurance	2,412	—	2,412	2,496
Audit fees	4,250	—	4,250	2,500
Public relations	29,009	—	29,009	30,260
Postage and stationery	188	—	188	200
Bank charges	30	—	30	259
Depreciation	42,561	298,484	341,045	336,905
Sundries	1,533	—	1,533	731
Reorganisation costs	3,350	—	3,350	—
	<u>83,333</u>	<u>298,484</u>	<u>381,817</u>	<u>373,351</u>

8. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging

	2011	2010
	£	£
Depreciation	341,045	336,905
Auditors' remuneration - audit of the financial statements	<u>4,250</u>	<u>2,500</u>

9. STAFF COSTS AND EMOLUMENTS

No salaries or wages have been paid to employees, including the members of the committee, during the year

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2011 nor for the year ended 31 August 2010

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

11. TANGIBLE FIXED ASSETS

	Land & Buildings School £	Equipment £	Total £
COST			
At 1 September 2010	11,722,735	1,660,507	13,383,242
Additions	70,148	27,366	97,514
At 31 August 2011	11,792,883	1,687,873	13,480,756
DEPRECIATION			
At 1 September 2010	170,854	166,051	336,905
Charge for the year	172,257	168,788	341,045
At 31 August 2011	343,111	334,839	677,950
NET BOOK VALUE			
At 31 August 2011	11,449,772	1,353,034	12,802,806
At 31 August 2010	11,551,881	1,494,456	13,046,337
Capital commitments		2011	2010
		£	£
Contracted but not provided for in the financial statements		-	139,875

12. DEBTORS

	2011	2010
	£	£
Loan	200,000	-
Other debtors	464,911	11,220
Prepayments	2,607	9,742
	667,518	20,962

13. LOAN

The loan of £200,000 is receivable from Krishna-Avanti Primary School Trust (Leicester) which is repayable after one year

14. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Other creditors	140,734	207,536
Accruals	4,000	3,000
	144,734	210,536

FOUNDATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2011

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

	2011 £	2010 £
Long term loans	<u>1,727,000</u>	<u>1,402,000</u>

16. RESTRICTED FUNDS

	Balance at 1 Sep 2010 £	Incoming resources £	Outgoing resources £	Balance at 31 Aug 2011 £
Restricted Fund	–	25,366	(21,702)	3,664
Capital Funds	<u>10,967,658</u>	<u>453,691</u>	<u>(298,484)</u>	<u>11,122,865</u>
	<u>10,967,658</u>	<u>479,057</u>	<u>(320,186)</u>	<u>11,126,529</u>

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2010 £	Incoming resources £	Outgoing resources £	Balance at 31 Aug 2011 £
General Funds	<u>552,414</u>	<u>31,878</u>	<u>(83,333)</u>	<u>500,959</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted Funds	11,122,865	3,664	11,126,529
Unrestricted Income Funds	–	500,959	500,959
Total Funds	<u>11,122,865</u>	<u>504,623</u>	<u>11,627,488</u>