

**THE ST. BARNABAS SOCIETY
(A Company Limited by Guarantee)**

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MAY 2022**

Registered Charity Commission No: 1009910

Registered with the OSCR No: SC046482

Registered Company No: 2645233



Croke, Vellacott & Hill
CHARTERED ACCOUNTANTS

INDEX TO THE FINANCIAL STATEMENTS

	<u>Pages</u>
Officers and professional advisers	1
Report of the trustees	2 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Statement of financial position	11
Statement of cash flows	12
Notes to the accounts	13 - 21

REPORT OF THE TRUSTEES (incorporating Directors' Report)
for the year ended 31 May 2022

OFFICERS AND PROFESSIONAL ADVISERS

Principal address and registered office	Windsor House, Heritage Gate Sandy Lane West Littlemore OXFORD OX4 6LB
Registered charity commission number	1009910
Registered OSCR number	SC046482
Registered company number	2645233
President	Cardinal Vincent Nichols
Board of directors	Mr. R.E. Hayes KSG KC*HS (Chair and President's Representative) Mr. S.C. Doyle Miss J. C. Gough Mr I.B. Hambleton (Deputy Chairman) Revd R. Hughes KCHS Mrs J.M. Mellor Mrs V. Stonier Mr. J.P.J. Turner
Director/Secretary of the charity	Revd P.B. Martin
Bankers	National Westminster Bank PLC 249 Banbury Road Summertown OXFORD OX2 7HR CAF BANK Limited 25 Kings Hill Avenue Kings Hill WEST MALLING ME19 4JQ
Auditors	Cocke, Vellacott & Hill Chartered Accountants Unit 28 City Business Centre Lower Road LONDON SE16 2XB
Investment managers	Cazenove Capital Management Limited 1 London Wall Place LONDON EC2Y 5AU

REPORT OF THE TRUSTEES (incorporating Directors' Report, continued)
for the year ended 31 May 2022

The trustees present their thirtieth report together with the financial statements of the St. Barnabas Society (hereafter referred to as the 'Society') for the year ended 31 May 2022 which comply with the Charities Act 2011 and the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the requirements of the charitable company's Memorandum and Articles of Association and the requirements of 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) – Charities SORP (FRS 102).

Continued Impact of Covid-19

Although the tail end of the Covid pandemic continued to curtail the Director's ability to make appeals in parishes, this activity did resume in the year. The ongoing effects of the pandemic and the volatile financial situation have continued to have an impact on the Society's fundraising and investments. The trustees have continued to monitor the situation carefully.

Structure, governance and management

The Society is a non-trading company, limited by guarantee without share capital, incorporated in England, and is registered with the Charity Commission and the Scottish Charity Regulator. Its affairs are governed by its Memorandum and Articles of Association. Upon winding-up of the company, the liability of every member is limited to £1.

On 1 June 1992 the Society assumed from The Converts' Aid Society, a charity having the same objectives as the Society, certain assets and all the obligations including those to pensioners. The Converts' Aid Society continues to hold funds amounting to £1,191 at 31 May 2022.

Organisation

The trustees are responsible for the management of the Society and meet four times a year. They are assisted by the head office staff. Day to day administration of the Society is in the hands of the Director.

President

The President of the Society is Cardinal Vincent Nichols.

Trustees

The trustees (and directors of the company for the purposes of company law) in office during the year were as follows:

Mr. R.E Hayes KSG KC*HS (Chairman and President's Representative)
The Hon. Susan Buchan - retired post year end, 7 September 2022
Mr. S.C. Doyle
Miss J.C. Gough
Mr I.B. Hambleton (Deputy Chairman)
Revd G. Hatton - retired post year end, 13 September 2022
Revd R. Hughes KCHS
Mrs J.M. Mellor
Mrs V Stonier
Mr. J.P.J. Turner

Trustees' recruitment, induction and training

The Society is always open to the possibilities of new trustees, usually by recommendation of existing trustees, staff, or the wider Church.

The Society provides induction packs to all new trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Connected Charity

The Converts' Aid Society is a connected charity that has similar objects and activities as the Society. The employees of the Society administer both charities from the same registered address at Windsor House, Heritage Gate, Sandy Lane West, Littlemore, Oxford, OX4 6LB. Details of transactions between the charities are given in note 12 to the accounts.

REPORT OF THE TRUSTEES (incorporating Directors' Report, continued)
for the year ended 31 May 2022

Structure, governance and management (continued)

Risk Management

The trustees have examined the major strategic, business and operational risks, which the Society faces and confirm that systems have been established to lessen the risks. A list of risks was prepared by the administrative staff and reviews of the risks are carried out each year.

Objectives and activities

The objects and principal activities of the Society, in co-operation with the Catholic Bishops, is to provide support and assistance to former clergy and religious of other denominations and their dependants who have come into the full communion of the Roman Catholic Church, until such time as they have been integrated into the Catholic community and have re-established themselves, for a maximum of five years. In addition to financial support, the Society provides pastoral support to convert clergy and religious and their families.

The Society also seeks to raise the Church awareness and understanding of conversion and converts. This is primarily the work of the Director, who is convert clergy, with support from the Board and the administrative staff.

In shaping our objectives for the year and planning our activities the trustees have considered the Charity Commission's guidance on public benefit.

Achievements and performance

During the year the Society has made 407 (2021 - 368) net grants totalling £412,698 (2021 - £312,149) to 45 (2021 - 37) individual beneficiaries. Included within net grants, the Society made no unsecured loans in the year (2021 - £nil) and recovered loans of £180 (2021 - £215), and accommodation for beneficiaries has been provided in the various properties owned by The Society for which rents have been received amounting to £17,052 (2021 - £19,032). The rents charged are below market rates and represent a subsidised rental to seven individuals. The maintenance and the repair of these properties is managed by the administrative staff of the Society.

The Society sends out approximately 5,000 copies of the "St. Barnabas Society News" twice a year to all interested parties to notify everyone what is happening with the Society. With the increasing use of the internet the Trustees considered that potential beneficiaries might look to this medium for information and help. Accordingly, the Society has a website which can be found at www.StBarnabasSociety.org.uk.

Financial review

The net deficit for the year amounted to £154,176 (2021 – surplus £963,960).

Income included £330,580 (2021 - £290,388) from investments, £27,082 (2021 - £28,853) from interest and rents, £65,473 (2021 - £45,535) from appeals and collections, and £138,457 (2021 - £166,659) from legacies and donations. No amounts were transferred from The Converts' Aid Society during the year (2021 – £nil) but one amount paid on their behalf was reimbursed.

One property was sold in the year (2021 - none) realising a gain of £51,218. There was no balance relating to the sold property in the Property Revaluation Reserve .

The charity expended £673,855 (2021 – £603,777) on charitable activities and £22,678 (2021 - £13,559) on fund raising.

Deficit on investments was an unrealised loss of £71,737 (2021 – surplus on investments, (realised loss £41,908 and unrealised gain of £1,090,591) amounted to £1,048,683). The net movement in all funds for the year amounted to a decrease of £154,176 (2021 – increase of £963,360). This includes property write downs of £nil (2021: £nil).

Funds arising in the year transferred to designated funds amounted to £70,796 being the transfer of legacy receipts to the Legacy Reserve (2021 – transferred to designated funds £117,407). Details of the incoming and outgoing resources for the year are shown on in the Statement of Financial Activities on page 10. Fund movements are shown in note 11.

REPORT OF THE TRUSTEES (incorporating Directors' Report, continued)
for the year ended 31 May 2022

Financial review (continued)

Fixed assets

Movements in fixed assets during the year are shown in notes 7 and 8 to the financial statements. Following the introduction of FRS 102 for Charities, the Society's freehold properties were revalued by the Trustees at the 31 May 2014 based on advice received from estate agents based in the same areas as the properties. Adjustments to those values were made at 31 May 2015 and 31 May 2016. The result of this is that the value of the properties was increased by £3,804,800 in 2014, an additional £274,649 in 2015 and an additional £85,197 in 2016.

With the exception of two investment properties purchased after May 2016 (which are shown at cost), all investment properties had been professionally valued by the year to 31 May 2016, and the trustees consider that these valuations remained appropriate as at 31 May 2022.

The previous revaluation was in April 1997, since then three further programme-related properties were acquired at a cost of £798,962, the latest being a property in Somerset acquired in 2018.

As all the properties are now occupied by beneficiaries at a rent below the normal market rate, the properties have been re-classified as programme related fixed assets.

The gain on revaluation of investments during the year has been included in the funds. At 31 May 2022 the cumulative unrealised gain on investments was £919,756 (2021 – unrealised gain £991,493) -see note 9 for more details.

Reserves Policy

The Society cannot predict the level of demand from potential beneficiaries. However, in recent years both the number of applicants and the scale of their individual needs have increased, and the prudent and informed judgement of the Board is that, in the medium term, these will continue at the higher level and that the increase is likely to continue.

The Society does not have a permanent endowment or any restricted funds. The Board have reviewed the level of free reserves (that is funds not tied up in fixed assets) the charity will require to sustain its operations over the next five years and conclude that these are no longer adequate in the light of the increasing calls on the Society. The board considers it is essential that the Society increases its income and is actively looking into ways of doing this. Moreover, the Society is subject to forces beyond its control, such as a major increase in the number of converts following decisions made by other denominations and this may require further action by the charity.

Investment Policy and Performance

The Society's investments are managed on a discretionary basis by Cazenove Capital Management Limited (CCM) and carefully monitored by the Board. After review of the requirements of the Society's running costs and the needs of beneficiaries of the charity, surplus funds are passed to CCM for investment. The overall policy is to grow the portfolio's capital and income over a period of time with a growth attitude to risk. No investment restrictions have been placed on CCM. The current benchmark for the investments, which adopts six different categories of investment was agreed with CCM and adopted from 1 December 2014. Quarterly reports are provided by CCM which contain performance against benchmarks. All income arising is returned to the Society's bank account.

Investment income has increased by 13.8% over the previous year. The market value of the fixed asset listed investments at the year-end fell by £119,372, a decrease of 1.4%, to £8,383,957. For the 12 month period to 31 May 2022 the portfolio returned 3% compared with its inflation target of CPI+4% of 13.5% and the FTSE All Share return of 8.2%. (12 month period to 31 May 2021 the portfolio returned 18.0% compared with its inflation target of CPI+4% of 6.2% and the FTSE All Share return of 19.4%). In light of current market conditions, the Trustees are satisfied with the performance of their investment portfolio.

All investments held by the charity have been acquired in accordance with the powers available to the trustees. The trustees regularly review the portfolio performance and the costs of portfolio management.

REPORT OF THE TRUSTEES (incorporating Directors' Report, continued)
for the year ended 31 May 2022

Grant Making Policies

The Society exists to provide financial and other help in case of need to former clergy, ministers, religious or paid lay workers of non-Catholic Churches, who have been received into the Catholic Church, and to their families. It is primarily concerned with those who live in the areas of the Bishops' Conferences of England & Wales, Scotland and Ireland. It aims to give support to individuals until they have either become financially self-sufficient or have been incardinated (by ordination to the diaconate) in any diocese or equivalent or taken religious vows in any religious order. Further, the Board considers that there will be an increasing call on its resources as converts, who have not been ordained, find in retirement that, as a result of their conversion, they are in financial hardship.

Applications for grants are either received directly from applicants who are aware of the Society's activities or result from the intervention of other members of the Catholic Church. Each convert's application for help is assessed individually on its merits with full information about the applicant's needs, liabilities, income and assets. In each case the Board determines the level of grant, which, in its absolute discretion, it considers to be proper and appropriate. The amount of any grant proposed may be amended should the beneficiary's circumstances alter.

Moving Forward

The Society's research project will conclude shortly, and it is hoped that the findings will inform the work of the Society.

The main project of the Society now is the relocation of the Sisters of the Blessed Virgin Mary from Kingstanding to Prinknash Abbey. The Society is working in partnership with the St Mary's Priory Fernham Residual Fund (Charity number: 229393) to finance this move, and in addition it is the main drive for fundraising now and for the medium term. It is hoped that the Sisters will be able to move in 2025 as there are major works to be done.

The Society continues to receive new enquiries, many of whom are likely to become beneficiaries. The Society believes this is directly due to the impact of the canonisation of St John Henry Newman.

Trustees' responsibilities for the financial statements

The trustees (referred to as trustees but who are also directors of the society for the purposes of company law) are responsible for preparing the trustees' 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 that give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and 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 company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence 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 website. Legislation in the United Kingdom generally the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

REPORT OF THE TRUSTEES (incorporating Directors' Report, continued)
for the year ended 31 May 2022

Disclosure of information to auditors

As far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Each of the directors has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Public Benefit

The trustees have complied with the duty in Section 4 of the Charities Act 2006 to have regard to the public benefit guidance published by the charity commission, including the guidance 'Public Benefit: Running A Charity' (PB2).

The Society exists for public benefit by the relief of poverty and the advancement of religion by helping financially and pastorally those who have been received into the Roman Catholic Church and who were previously clergy, ministers or religious of other Christian Churches.

Auditors

The auditors Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act 2006.

Signed on behalf of the Board of Directors
on 23 November 2022 by



R.E. Hayes
Director

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST BARNABAS SOCIETY**

Opinion

We have audited the financial statements of The St. Barnabas Society for the year ended 31 May 2022 which comprise the statement of financial activities incorporating income & expenditure account, statement of financial position, statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

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 directors' 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 directors 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 directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST BARNABAS SOCIETY (continued)**

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, which incorporates the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included in the Trustees' Report has been prepared in accordance with applicable legal requirements.

Other 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 Directors' Report, included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also directors of the charitable company for the purposes 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 directors 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder. This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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.

We have obtained an understanding of the charitable company's policies and procedures through discussions with senior management and trustees.

We also drew on our existing understanding of the work that the charitable company does and the sector that it operates in.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE ST BARNABAS SOCIETY (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We understand that the charitable company complies with its responsibilities through close involvement of senior management and trustees in the day to day running of the business. Were there any litigation or claims they would come to the attention of the senior management directly.

The charitable company also holds regular board meetings at which all such matters are discussed if applicable. We have reviewed the minutes of all board meetings and no irregularities were identified. We attended three board meetings (out of four) as observers. Key management information is circulated monthly to all trustees and senior management and discussed in detail at board meetings.

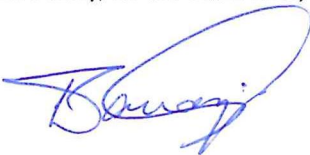
In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) as part of our finalisation processes.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



KYRIACOS PANAYI (Senior Statutory Auditor)

For and on behalf of COCKE, VELLACOTT & HILL
Chartered Accountants and Statutory Auditor
Unit 28 City Business Centre
Lower Road
LONDON SE16 2XB

23 November 2022

THE ST. BARNABAS SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account)
for the year ended 31 May 2022

	Notes	General fund £	Designated funds £	Total 2022 £	Total 2021 £
Income from:					
Charitable Activities: rental income		17,052	-	17,052	19,032
Donations & legacies	6	203,930	-	203,930	212,194
Investments		330,580	-	330,580	290,388
Other:					
Funds transferred from connected charity	12	420	-	420	-
Interest receivable		328	-	328	119
Rents		9,702	-	9,702	9,702
Events		864	-	864	848
Realised gain on sale of property		51,218	-	51,218	-
Total	3(b)	614,094	-	614,094	532,283
Expenditure on					
Costs of raising funds	4	(22,678)	-	(22,678)	(13,559)
Expenditure on charitable activities	4	(673,855)	-	(673,855)	(603,777)
Total resources expended	4	(696,533)	-	(696,533)	(617,336)
Net gains/(losses) on investment assets		-	(71,737)	(71,737)	1,048,683
Net income/(expenditure) for the year		(82,439)	(71,737)	(154,176)	963,630
Transfers between funds	11	(70,796)	70,796	-	-
		(153,235)	(941)	(154,176)	963,360
Other recognised gains and losses					
Gains/(losses) on revaluation of properties	7,11	-	-	-	-
Net movement in funds		(153,235)	(941)	(154,176)	963,360
Total funds brought forward	11	3,145,294	9,856,033	13,001,327	12,037,697
Total funds carried forward	11	2,992,059	9,855,092	12,847,151	13,001,327

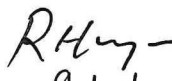

All of the operations undertaken by the charitable company during the current and preceding year are continuing operations.
The charitable company has no recognised gains and losses other than those included in the results above.

The notes on pages 13 to 21 form part of these financial statements

STATEMENT OF FINANCIAL POSITION
as at 31 May 2022

	Notes	2022 £	2021 £
Fixed assets:			
Tangible Fixed Assets	7	590,469	593,043
Programme Related Fixed Assets	7	3,656,397	3,656,397
Investments			
Investments	8	8,383,957	8,503,329
Programme Related Investments	8	13,535	17,135
Total fixed assets		<u>12,644,358</u>	<u>12,769,904</u>
Current assets:			
Properties awaiting disposal	7	-	85,963
Debtors	9	62,985	81,712
Cash at bank and in hand		158,893	83,726
Total current assets		<u>221,878</u>	<u>251,401</u>
Liabilities:			
Creditors: Amount falling due within one year	10	(19,085)	(19,978)
Net current assets (liabilities)		<u>202,793</u>	<u>231,423</u>
Total net assets		<u><u>12,847,151</u></u>	<u><u>13,001,327</u></u>
The funds of the charity:			
Unrestricted funds:			
Designated funds			
Capital fund	11	2,765,318	2,765,318
Property revaluation reserve	11	2,789,218	2,789,218
Investment reserve	11	919,756	991,493
Legacy fund	11	3,380,800	3,310,004
General fund	11	<u>2,992,059</u>	<u>3,145,294</u>
Total unrestricted funds		<u>12,847,151</u>	<u>13,001,327</u>
Total charity funds	11	<u><u>12,847,151</u></u>	<u><u>13,001,327</u></u>

The financial statements were approved by the Board of Directors on 23 November 2022 and signed on their behalf by:

R.E. Hayes  (Trustee)
I.B. Hambleton  (Trustee)

Registered Company Number: 2645233

The notes on pages 13 to 21 form part of these financial statements

STATEMENT OF CASH FLOWS
for the year ended 31 May 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net income/(expenditure) for year		(154,176)	963,630
Adjustments for:			
Depreciation	7	3,672	4,488
(Gains)/losses on sale of fixed asset investments		71,737	(1,017,618)
(Gains)/losses on sale of fixed assets		-	-
Dividends received		(330,580)	(290,388)
Interest		(328)	(119)
Rents		(26,754)	(28,734)
Realised gain on disposal of property		(51,218)	-
(Increase)/decrease in debtors	9	18,727	(67,244)
Increase/(decrease) in creditors	10	(893)	(1,151)
Net cash from operating activities		(469,813)	(437,136)
Cash flows from investing activities			
Purchase of tangible fixed assets	7	(1,098)	(998)
Proceeds from sale of fixed assets		137,181	-
Receipts from programme related assets		3,600	3,600
Purchase of fixed asset investments		(252,365)	(7,501,322)
Proceeds from sales of fixed asset investments		300,000	7,565,677
Dividends		330,580	290,388
Interest		328	119
Rents		26,754	28,734
Net cash provided by (used in) investing activities		544,980	386,198
Change of cash and cash equivalents in the reporting period		75,167	(50,938)
Cash and cash equivalents at the beginning of the reporting period		83,726	134,664
Cash and cash equivalents at the end of the reporting period		158,893	83,726

The notes on pages 13 to 21 form part of these financial statements

NOTES TO THE ACCOUNTS

for the year ended 31 May 2022

1. General information

The St. Barnabas Society (hereafter referred to as 'the Society') is a charitable company limited by guarantee, incorporated and domiciled in England. The registered office is Windsor House, Heritage Gate, East Point Business Park, Sandy Lane West, Oxford, OX4 6LB. The principal activity of the Society in co-operation with the Catholic Bishops, is to provide support and assistance to former clergy and religious of other denominations and their dependants who have come into the full communion of the Roman Catholic Church, until such time as they have been integrated into the Catholic community and have re-established themselves. In addition to financial support, the Society provides pastoral support to convert clergy and religious and their families.

2. Statement of compliance

These financial statements have been prepared in compliance with the 2019 Charities SORP (FRS 102).

3. Principal accounting policies

(a) Basis of accounting

The financial statements of the charitable company are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), other than set out below.

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

The financial statements reflect the assumption of assets and obligations from the Converts' Aid Society, as explained in the Report of the Trustees.

(b) Incoming resources

With the exception of voluntary income, which is included in the statement of financial activities when received, all income is credited to the statement of financial activities when it becomes receivable. Legacies are regarded as permanent accretions to the capital of the company and the income there from, having first been credited to the statement of financial activities is transferred to the credit of the legacy fund account on the Statement of financial position. Legacies are regarded as receivable when there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

(c) Resources expended

Liabilities, including attributable VAT, are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis. Expenditure incurred on activities falling directly within one cost category is attributed to that category.

Expenditure, which involves more than one cost category, is apportioned on a reasonable, justifiable and consistent basis to the cost categories involved.

(d) Costs of raising funds

Fund raising income is generated from voluntary contributions received as a result of donors' knowledge of the company enhanced by special appeals.

The greater part of the emoluments of regional organisers are treated as costs of generating funds and the remainder as expenditure for charitable/pastoral purposes where their work entails visiting beneficiaries and prospective beneficiaries of the company.

(e) Charitable activities

This includes the making of grants and loans and the expenses involved in making those grants and loans. It also includes the expenses of the upkeep of the premises which are rented out to beneficiaries of the Society and an apportionment of the regional organisers' emoluments as mentioned above.

Grants payable are those grants that have been recognised as payable or for which a moral obligation to pay the grant exists. Loans to beneficiaries which are not secured by a first charge on the recipient's assets and where there is therefore some uncertainty as to whether or not they will be repaid are charged to the statement of financial activities when they are recognised as payable and for which a moral obligation to pay the loan exists. Any amounts of unsecured loans which are repaid are set against the payments in the year they are received.

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

3. Principal accounting policies (continued)

(f) Governance costs

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulations and good practice. These costs include costs related to the statutory audit and an apportionment of overhead support costs.

(g) (h) Tangible fixed assets

The charitable company previously adopted the transitional provisions of FRS 15 and the freehold property was carried at the 1997 valuation with subsequent additions carried at cost.

The freehold properties are now stated at market value. Gains and losses on the disposal of properties are taken into the income and expenditure account and the statement of financial activities. Unrealised gains and losses are taken to the statement of financial activities, from where they are transferred to the property revaluation reserve.

The majority of properties are occupied by beneficiaries, maintained to acceptable standards and recorded as programme-related assets.

Additions to computer equipment, furniture, fixtures and fittings are capitalised where material and depreciated over their useful lives.

Depreciation is provided at the following rates:

Furniture, fixtures and fittings	-	15% per annum (reducing balance)/50% straight line
Computer equipment	-	25% per annum (on cost)

(h) Investments

Investments are included in the financial statements at their market values. For listed investments, market value is based on the closing middle market price on a recognised stock exchange. Gains and losses on disposals of investments are taken to the income and expenditure account and the statement of financial activities. Unrealised gains and losses go through the statement of financial activities from where they are transferred to the investment reserve. Investment income has been taken into account on the basis of the due date of payment.

Programme related investments

These include loans to beneficiaries in accordance with the objectives of the charity. The loans secured by a first charge on a recipient's assets are expected to be recovered in due course. In the event that the loan or part of the loan becomes non-repayable it will be written off in the statement of financial activities.

(i) Taxation

The company is a charity and does not carry out any trading activities. It is therefore considered that the company is not liable to taxation on its activities.

(j) Funds

(i) Capital fund

The capital fund represents the net amount of the tangible fixed assets, investments and bank balance transferred from the Converts' Aid Society on 1 June 1992 together with subsequent transfers of monies and net income received on behalf of the Society.

(ii) Property revaluation reserve

The property revaluation reserve represents the difference in value between the historic cost of the properties and their market value.

(iii) Investment reserve

The investment reserve represents unrealised gains on the listed securities as a result of their market values being higher than their cost.

(iv) Legacy fund

The legacy fund represents legacies received by the company since its inception.

(v) General fund

The general fund represents the net surplus made by the company during its operations.

(k) Pension costs

The Society makes contributions towards the appropriate Scottish Widows personal pension scheme on behalf of the employees. Contributions are charged to the income and expenditure account in the year in which they are payable. In addition, the company pays ex-gratia pensions to certain former staff.

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

4. Analysis of expenditure on charitable activities

	Basis of Allocation	Costs of generating funds £	Charitable Activities £	Total 2022 £	Total 2021 £
Costs directly allocated to activities					
Annual report & meeting/event	Direct	-	3,513	3,513	-
Auditor's remuneration:					
Audit Fees	Direct	-	7,128	7,128	6,336
Accountancy Fees	Direct	-	2,808	2,808	2,496
Grants and unsecured loans to beneficiaries (see below)	Direct	-	412,878	412,878	312,364
Legal & professional fees	Direct	-	10,343	10,343	8,448
Pensions to former employees (note 5)	Direct	-	22,371	22,371	22,371
Property repairs and maintenance	Direct	-	5,960	5,960	5,711
Rates, insurance and utilities	Direct	-	5,499	5,499	5,479
Staff costs (see note 5)	Staff Time	5,750	45,661	51,411	50,919
Travel costs	Direct	825	1,942	2,767	925
Research project	Direct	-	-	-	32,361
Chairman's and trustees' expenses	Direct	-	322	322	-
Total Direct Costs		6,575	518,425	525,000	447,410
Support Costs Allocated to activities					
Advertising	Transactions	13,783	7,100	20,883	8,245
Investment managers fees	Transactions	-	5,269	5,269	10,350
Bank Charges	Transactions	-	1,095	1,095	1,061
General office costs - including equipment	Usage	1,169	3,505	4,674	3,750
Communications	Usage	587	1,760	2,347	2,368
Depreciation and losses on tangible fixed assets	Usage	483	3,189	3,672	4,488
Staff costs (see note 5)	Staff Time	-	79,933	79,933	82,684
Printing and publications	Transactions	81	91	172	330
Property repairs and maintenance	Transactions	-	2,173	2,173	3,555
Rates, insurance and utilities	Transactions	-	51,315	51,315	53,095
Total Resources Expended		16,103	155,430	171,533	169,926
		22,678	673,855	696,533	617,336

Included within charitable activities is £12,136 (2021: £10,845) relating to Governance Costs.

In common with many other charitable companies of our size and nature we use our auditors to assist in the preparation of the financial statements.

	2022 £	No. of beneficiaries	2021 £	No. of beneficiaries
Grants and unsecured loans paid to individuals				
Grants paid	412,878	45	312,364	37
Unsecured loans paid	-	-	-	-
Recoveries of unsecured loans	(180)	2	(215)	2
	412,698		312,149	

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

5. Particulars of employees	2022 No.	2021 No.
The average number of employees analysed by function was:		
Charitable/Pastoral	1	1
Fundraising	-	-
Management, administration and household	2	2
	—	—
	3	3
	=	=

	2022 £	2021 £
Their total remuneration including benefits in kind of £nil (2021 - £1,621) was:		
Salaries	112,741	114,640
Social security costs	7,908	8,191
Pension costs	10,695	10,772
	—	—
	131,344	133,603
	=	=
Pensions to former employees	22,371	22,371
	=	=

All current employees are considered to be senior management. No employee earned more than £60,000 per annum.

No trustee received any remuneration for their services; 2 trustees (2021 -nil) claimed for expenses, which were incurred on charitable company matters as follows:

	2022 £	2021 £
Travelling and charitable expenses	322	-
	=	=

6. Donations and legacies	2022 £	2021 £
Donations	67,661	91,160
Appeals and collections	65,473	45,535
Legacies	70,796	75,499
	—	—
	203,930	212,194
	=	=

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

7. **Tangible fixed assets**

	Freehold Properties £	Programme Related Freehold Properties £	Motor Vehicles £	Computer Equipment £	Furniture Fixtures & Fittings £	Total £
<i>Cost or valuation</i>						
At 1 June 2021	582,031	3,656,397	-	9,983	30,353	4,278,764
Additions at cost	-	-	-	1,098	-	1,098
Transferred to current assets	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Revaluation of freehold properties	-	-	-	-	-	-
At 31 May 2022	582,031	3,656,397	-	11,081	30,353	4,279,862
<i>Accumulated depreciation</i>						
At 1 June 2021	-	-	-	8,764	20,560	29,324
Charge for year	-	-	-	495	3,177	3,672
Disposals	-	-	-	-	-	-
At 31 May 2022	-	-	-	9,259	23,737	32,996
Net book value 31 May 2022	582,031	3,656,397	-	1,822	6,616	4,246,866
Net book value 31 May 2021	582,031	3,656,397	-	1,219	9,793	4,249,440
Cost of assets 31 May 2022	582,031	867,179	-	11,081	30,353	1,490,644

Following the introduction of FRS 102 all the properties were valued by the Trustees, with advice from local estate agents at 31 May 2014 on a fair value basis and these values have since been reviewed annually. All properties with the exception of the Presbytery are occupied by beneficiaries or in one case a tenant and as such they are used for charitable purposes. They are recorded above as Programme-Related Freehold Properties. In September 2022 the Chair and Deputy Chair considered all property values in light of the Covid-19 pandemic and whilst noting that there had been some short term changes in property valuations concluded that the Society's property values were unchanged as at 31 May 2022.

In 2021 one property was transferred to current assets at a value of £85,963. It was sold in 2022 realising a profit of £51,218.

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

8. Fixed asset investments	2022 Market value £	2022 Cost £	2021 Market value £	2021 Cost £
Investments listed on the UK Stock Exchange				
At 1 June	8,422,302	7,430,809	7,078,708	7,178,806
Additions during the year	-	-	7,501,322	7,501,322
Disposals during the year	(300,000)	(300,000)	(7,175,346)	(7,249,319)
Unrealised gains/ (losses)	(71,737)	-	1,017,618	-
At 31 May	<u>8,050,565</u>	<u>7,130,809</u>	<u>8,422,302</u>	<u>7,430,809</u>
Cash investments and cash awaiting investment	333,392	333,392	81,027	81,027
Market value at 31 May	<u>8,383,957</u>		<u>8,503,329</u>	
Historic cost at 31 May		<u>7,464,201</u>		<u>7,511,836</u>

Analysed as follows, 2022 - indicative figures within multi-asset fund:

Investment assets in the UK	2,688,971	2,633,278
Investment assets outside the UK	5,361,594	5,789,024
Cash investments in the UK	333,392	81,027
	<u>8,383,957</u>	<u>8,503,329</u>

There is one investment with Cazenove, being 14,682,773.48 units in their SUTL Cazenove Charity Responsible multi-asset fund. This is a material investment.

Investments are shown in the accounts at their market value at the year-end date and the gain on revaluation has been included in funds. At 31 May 2022 the investment reserve was £919,756 (2021 – (£991,493) as below:

Reconciliation of movements in unrealised gains/ (losses) on investment assets:	2022 £	2021 £
Unrealised gains/ (losses) arising on revaluation brought forward at 1st June	991,493	(99,098)
Addition/(Deduction) in respect of disposals	-	72,973
	<u>991,493</u>	<u>(26,125)</u>
Add net gains/ (losses) arising on revaluation in the year	(71,737)	1,017,618
Transfer to general fund	-	-
Unrealised gains/ (losses) arising on revaluation at 31 May	<u>919,756</u>	<u>991,493</u>

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

8. **Fixed asset investments** (continued)
Programme Related Investment

	2022	2021
	£	£
Loans to beneficiaries in accordance with the objectives of the charity		
Balance brought forward	17,135	20,735
Loans made during the year	-	-
<u>Less:</u> repayments received	(3,600)	(3,600)
	<u>13,535</u>	<u>17,135</u>

The loans are interest free.

9. **Debtors**

	2022	2021
	£	£
Tax refunds due	13,089	21,770
Other debtors	45,509	59,942
Prepayments and accrued income	4,387	-
	<u>62,985</u>	<u>81,712</u>

10. **Creditors:** Amounts falling due within one year

	2022	2021
	£	£
Social security and other taxes	3,670	3,589
Accruals and deferred income	15,415	16,389
	<u>19,085</u>	<u>19,978</u>

11. **Total Funds**

	Balance 1st June 2021 £	Incoming resources and gains £	Resources expended and losses £	Transfers between funds £	Balance 31st May 2022 £
Unrestricted funds					
Designated funds:					
Capital fund (a)	2,765,318	-	-	-	2,765,318
Property revaluation reserve (b)	2,789,218	-	-	-	2,789,218
Investment reserve (c)	991,493	-	(71,737)	-	919,756
Legacy fund (d)	3,310,004	-	-	70,796	3,380,800
	<u>9,856,033</u>	<u>-</u>	<u>(71,737)</u>	<u>70,796</u>	<u>9,855,092</u>
General fund (e)	3,145,294	614,094	(696,533)	(70,796)	2,992,059
	<u>13,001,327</u>	<u>614,094</u>	<u>(768,270)</u>	<u>-</u>	<u>12,847,151</u>

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

11.	Total Funds (continued)	Unrestricted Funds £
	Represented by:	
	Fixed assets	12,644,358
	Net current assets	202,793
		12,847,151
		12,847,151

- (a) The capital fund represents the net amount of the tangible fixed assets, investments and bank balance transferred from The Converts' Aid Society on 1 June 1992 together with subsequent transfers of monies and net income received on behalf of the Society. Its purpose is to provide the necessary capital for the purchase of tangible fixed assets and investments.
- (b) The property revaluation reserve represents the difference in value between the historic cost of the properties and their market value and has been designated as part of permanent capital.
- (c) The investment reserve represents unrealised gains on the listed securities as a result of their market value being higher than their cost and is regarded as part of capital and is also available to meet possible deterioration in the value of the listed investments.
- (d) The legacy fund represents legacies received by the company since its inception and has been recorded as a designated fund.
- (e) The general fund, after transfers to the designated funds, represents funds available at the discretion of the trustees to further expand the activities of the charity. The fund arises from donated income and income arising on an annual basis from amounts held by way of capital and unutilised funds less direct charitable expenses and expenses of fund raising, management and administration. It also includes realised gains less losses on assets held both for investment and charity use.

12. Connected charity and related party transactions

On 1 June 1992 the company assumed from The Converts' Aid Society, certain of the assets and all the obligations including those to pensioners. During the year The Converts' Aid Society transferred nil (2021: £nil) which was reported as a receipt from a connected charity but paid £420 on their behalf for operational reasons during the Covid-19 lockdown which is in Other Debtors. The balance owed at the year end by the Convert's Aid Society was £420 (2021: £420). The Converts' Aid Society continues to hold funds amounting to £1,191 at 31 May 2022 (2021 - £1,314). At the year-end there were no balances with the connected charity. The Converts' Aid Society has similar objects and activities as the company. The trustees form the Executive Committee of the Converts' Aid Society. Employees of the Society administer both charities. There were no other related party transactions to disclose.

13. Operating Lease Commitments

At the year end the Society had total outstanding commitments under operating leases amounting to:

	2022	2021
	£	£
Amounts falling due within one year	4,556	4,556
Amounts falling due between 1 to 5 years	-	-
	4,556	4,556
	4,556	4,556

NOTES TO THE ACCOUNTS (continued)
for the year ended 31 May 2022

14. Commitments in existence at the year end

As noted in the Trustees' Report the Society is committed to helping resettle the community of nuns known as the Sisters of the Blessed Virgin Mary to a refurbished building at Prinknash Abbey. The Society anticipates that the cost of refurbishing a suitable part of the Prinknash site for this project could cost in excess of £2m and has offered to support half of the project costs. In July 2022 an initial payment of £250,000 was sent to support the project.

