

**THE MONASTERY OF ST. FRANCIS AND GORTON TRUST**

(A company limited by guarantee)

**Trustees' Report and Consolidated Financial  
Statements**

**For the year ended December 31st 2021**

**Charity number 1061457**

**Company number 03251869**

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**ADMINISTRATIVE INFORMATION**

**TRUSTEES:**

The trustees who served during the year were as follows;

Paul Griffiths DL (Chairman & Company Secretary)  
Jeremy Cole  
Ray Hanks  
Tim Isherwood  
David Oliver  
Piers Sturridge  
Janet Wallwork

The trustees are also the company's directors for the purposes of company law.

**CHIEF EXECUTIVE AND SENIOR LEADERSHIP TEAM**

Elaine Griffiths OBE, DL. Chief Executive  
Jackie Ormiston, Finance & Operations Director (resigned 31 March 2021)

**REGISTERED OFFICE**

The Monastery  
89 Gorton Lane  
Manchester M12 5WF

**REGISTERED CHARITY NUMBER**

1061457

**COMPANY NUMBER**

03251869

**STATUTORY AUDITORS:**

Royce Peeling Green Limited  
The Copper Room  
Deva City Office Park  
Trinity Way  
Manchester M3 7BG

**BANKERS**

The Co-operative Bank  
Balloon Street  
Manchester M60 4EP

**SOLICITORS**

Brabners LLP  
Horton House  
Exchange Flags  
Liverpool L2 3YL

## **CHAIR'S REPORT**

This important year witnessed the end of the Covid Pandemic and The Monastery was able to re-open to the Public once again in August 2021.

As with so many endings, this one created a new beginning for our Modern-Day Monastery in the way that it continues to serve the people of Manchester in innovative new ways.

During the challenging times of national lockdown the trustees decided that when we re-opened all the Trust's activity would be refocused on its charitable and community objectives. Our priority was to offer our precious heritage spaces in ways to support and find solutions to the complex mental and physical health and wellbeing needs of a society emerging from enforced isolation.

The Sanctuary of Peace and Healing was launched to the community in September 2021. 700 visitors shared in the 'Lifting the Spirits of the City' day as our free listening, counselling, drop-ins and support services were launched, led by over 30 fully trained volunteers.

Open daily to the public Sunday-Thursday 10am-4pm with free entry, free activities and free parking has made our heritage site fully accessible to everyone. We offer an Hour of Silence from 12 until 1pm every day for all those who wish to take time out from the stress and pressures of daily life. Every Wednesday Manchester Camerata Orchestra hold their Music Café in the Great Nave with for those living with dementia and their carers. Other activities range from drop in sessions for domestic abuse survivors, an anxiety & depression support group right through to free legal advice, yoga, tai chi, sound healing and meditation classes.

The Monastery has outsourced many areas of its work to other charities and specialist organisations who share and operate from our heritage building. We collaborate with these Trusted Partners to share resources and achieve even more in these challenging times. Partners include Manchester Camerata, Heritage Print Pattern Archive, African Rainbow Family **and Fork & Field Catering all enable** The Monastery to deliver its charitable objectives in Education, Skills, Arts & Health.

Trading subsidiary activity has been limited to exclusive use only on Fridays and Saturdays and after 4pm on other days for weddings, dinners and other private hire events.

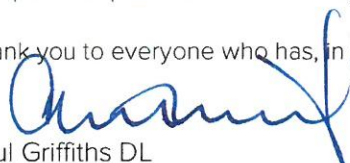
We are grateful for the grant funding received during the pandemic which enabled the Monastery to survive and to help us to serve our community even more in the future.

The changes implemented have proven positive as we de-risk operations and have reduced the cost base and headcount, outsourcing catering, restructuring debt on favourable terms over a longer time-period, while providing opportunities to fund raise with Trusted Partners and through strengthened financial oversight.

I am immensely grateful for the dedication and commitment demonstrated by Trustees, Volunteers and Employees whose efforts throughout recent significant challenges has been exemplary.

The current year of 2022 brings another award as Manchester's Best Wedding Venue and it is encouraging to report that plans for 2022 envisaged a year ago, are bearing fruit in line with expectations.

Thank you to everyone who has, in any way, supported our work in Gorton.



Paul Griffiths DL

**Chairman & Company Secretary -The Monastery of St. Francis & Gorton Trust**

## **TRUSTEES' AND DIRECTORS' REPORT**

The Trustees present the annual report and the audited financial statements of the Charity and its wholly-owned subsidiary for the year ended December 31st 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Monastery of St. Francis & Gorton Trust constitution, the Charities Act 2011, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102).

### **OBJECTIVES AND ACTIVITIES**

A precise version of the Trust's charitable objects are as follows:

- 1) To restore, conserve and maintain the Monastery of St Francis, being of historical & architectural merit.
- 2) To further or benefit the residents of the Gorton district of Manchester and its surrounding areas.
- 3) To advance the education of the public in general including the provision of facilities for education and the education of the public.
- 4) The relief of unemployment for the benefit of the public in such ways as may be thought fit.
- 5) To preserve and protect the health of residents of the Gorton district of Manchester and its surrounding areas.
- 6) The prevention or relief of poverty in the Gorton district of Manchester and its surrounding areas.
- 7) The promotion of equality and diversity for the public benefit by advancing education.
- 8) The promotion of religious harmony for the benefit of the public by educating the public in different religious beliefs.
- 9) Such other exclusively charitable purposes according to the law of England and Wales

### **Beneficiaries**

Beneficiaries of the Charity's work include:

- Children, Young People and Age-Friendly groups.
- Volunteers (adults and young people).
- The People of Manchester and local communities.
- Voluntary organisations.
- Community Charity & Community Groups.

In shaping our objectives and planning our activities for the year, the trustees confirm they have given regard to guidance published by the Charity Commission, including public benefit: running a charity (PB2) guidance.

Following the worst effects of the Covid Pandemic, the Monastery re-opened to the public in August 2021. The charity was fortunate to secure grants and loans backed by the government-this enabling the continuation of our services as we built ourselves up again.

## **TRUSTEES' AND DIRECTORS' REPORT**

### **ABOUT US**

**WHO WE ARE:** The Monastery of St. Francis & Gorton Trust is a Building Preservation Trust and registered Charity set up almost 25 years ago to try to save, restore and find a viable new use for Pugin's derelict architectural masterpiece, known locally as Gorton Monastery.

**WHAT WE DO:** The Trust's charitable mission is to generate enough income to maintain this precious & sacred heritage asset as a local resource, back at the heart of the community once again.

**HOW WE DO IT:** By law, the Trust has a wholly owned trading subsidiary. This is the Monastery Manchester Ltd-which delivers community, educational and outreach activities and events. This includes charity dinners, community & family life events (weddings, funerals), meetings, community concerts and arts, health & well-being events.

**WHY WE DO IT:** The Trust constantly strives to be self-sufficient and sustainable by generating its own income through the Charity and the Monastery Manchester. It relies heavily on its volunteers and pro-bono professional support.

**YOUR EVENT HELPS US TO HELP OTHERS:** Any proceeds from events held by The Monastery Manchester, are donated to the Charitable Trust for ongoing conservation and maintenance work and to support charitable community projects in education, skills, arts & health.

### **Achievements and Performance**

The Monastery has won over 30 prestigious national & regional awards for its work in regeneration, community benefit, heritage, as a visitor attraction and unique historic venue. The social & economic value brought to the City of Manchester by the Monastery since 2007 exceeds £20 million Gross Value Added.

Considered by Manchester City Council as a strategically significant site, the Trusts diverse activities make possible the free to enter use of the building, while at the same time boosting the economy of Manchester and enhancing its reputation to all visitors...be they local Mancunians or from elsewhere.

This Manchester landmark continues to play a pivotal role in the improving fortunes of Gorton. The Monastery's restoration is widely credited as the primary catalyst for the area's regeneration. New Homes are being built in Gorton at an unprecedented rate/with 45 new homes completed on a brownfield site on Crossley Street adjacent to The Monastery and a new, One Manchester £15.7million development scheme of 102 apartments and 13 houses is underway a few hundred yards away on Gorton Lane.

### **Social & Economic Value**

**Investment in Gorton-** for many local people, the saving of Gorton Monastery was the catalyst for the area's regeneration. Its restoration helped to rebuild confidence and improve people's lives. The more than £12million raised by the Trust to bring the Monastery to this point has encouraged people to move to Gorton because they want to, not because they have to.

**Supporting the local economy-**The charity group endeavours to source goods and services locally. Spend in Manchester, and money remains in Manchester. We believe strongly in giving back to the community through this virtuous circle of buying goods and services locally.

## **TRUSTEES' AND DIRECTORS' REPORT**

**World Monument site saved-** Over 26 years in the making it is self-evident that important heritage sites can have a positive social impact. They can help people thrive and develop pride in their communities. Such places can also make people feel better.

**Community & Social Value-** The charity group usually adds to its Community and Social value locally by working with a myriad of Community not-for-profit & charitable partnership groups. In 2021 as we began recovery from Covid Pandemic this activity was initially limited, but we did what we could.

**Regeneration & Homes-** The Monastery sits at the heart of one of Manchester's key regeneration areas, and it continues to act as a catalyst to regenerate the area. The perception of the area has improved, property prices increased.

**Employment & Jobs-** We continue to employ as many suitably qualified people as possible from the local community, while our reliable volunteer cohort are drawn from the local area.

**Volunteers** are the heart of The Monastery. In 2021, there was increased reliance on volunteers from August when we re-opened, and from the Trust Chair and Trustees throughout the entire year. They donated 5,240 hours of time including travel. Their contribution was valued at £172k in the year. In 2013, Trust volunteers were awarded a coveted Queen's Award for Voluntary Service, the highest award for a charity in the UK.

**Education & Schools-** Activity limited to the final quarter of 2021 only, due to impact of the pandemic.

**Environment & Sustainability-**work towards ISO 20121 International Sustainable Event Management was suspended due to the Pandemic. The drive to become more sustainable first began in 2012 when UNESCO granted The Monastery status as a Centre of Expertise in Sustainable Development. The new Welcome Wing is Carbon Neutral and has significant Passive House qualities to its construction. This was picked up again in 2022 with the development of a Carbon Management Plan for the site.

### **Operating Highlights:**

Aside from funerals and the occasional severely restricted Covid rule weddings, the Monastery remained closed to the public through 2021, until August. Despite this, the Trust's trading subsidiary saw revenues increase to £626k (2020: £314k). Operating profit in the subsidiary was £136k (2020: loss of £312k). The charity group consolidated result for the year saw revenues of £1.2m (2020: £1.3m) and net expenditure of £178k (2020: £355k net income) after depreciation of £219k (2020: £232k).

**Colleagues.** The new operational model adopted partially as a result of the pandemic, led to a significant reduction in headcount in 2020/2021 as activity was outsourced to external providers. All colleagues are sincerely thanked for their hard work, commitment and support as we build ourselves up once again.

### **Financial review**

#### *Overview*

The accounts for this year reveal a strongly contrasting position between the charitable parent and its trading subsidiary (Monastery Manchester) and between the Statement of Financial Activities (SoFA) and the Balance Sheet.

Monastery Manchester Limited generated a profit of £136k excluding intra group support. The Trust generated a loss of £477k as it incurred the planned costs funded by restricted funds received in the current and prior years. The group overall, boosted by continued grant support and reserves is not facing any short-term solvency or cash flow problems.

## **TRUSTEES' AND DIRECTORS' REPORT**

*Enforced closure (March 2020 to August 2021) provided an opportunity to rethink all our charitable activities. The changes introduced enhance the charity's public benefit focus.*

### **Principal funding sources**

The charity group benefited from Culture Recovery Fund grants and local support grants. Aside from grants, the charity relied on donations from the public in 2021. The Trust's trading subsidiary saw revenues increase to £626k (2020: £314k).

### **Reserves policy and financial risk management**

Trustees believe that having been well supported with grants during the pandemic and having de-risked its activities by outsourcing and refocusing on core charitable activities, the charity has enhanced its future fund-raising prospects. During 2021, the charity group realised its long-term ambition to build cash reserves to over £200,000. It stands at £207,000.

Although the Pandemic is yet to run its course, the Trustees can draw attention to the effectiveness of the extraordinary public funding entrusted to them. Setting aside for the time being the safeguarding of the future public benefit potential.

Trustees are also aware that one of the main risks to be managed relates to their own diligence and competence in overseeing the charity group's affairs. This is particularly pertinent at this time when management succession planning is in prospect.

At the time of signing these accounts, the Trustees consider that they have undertaken a rigorous analysis of the main risks that confront the charity. They have approved appropriate plans that mitigate the risks and have in place appropriate financial reporting procedures to ensure they are able to exercise effective oversight.

### **Going Concern considerations**

The subsidiary is budgeted to achieve a surplus in 2022, while the Trust looks to raise grant funding to support important initiatives and core costs in the year.

At the date of signing these accounts, the up to date group cash flow forecast for the period to December 31st 2023, predicts that the group will enjoy positive current account balances in excess of £250k. This projection does not include any potential future funding.

Trustees expect this forecast to reflect a realistic estimate of fundraising income for the next year and that the current projected cash balances will be increased.

Acknowledging that uncertainties remain regarding a challenging economic climate, the Trustees are confident that they are fully entitled to prepare the accounts on a going concern basis.

## **FUTURE PLANS**

The forced temporary closure of activities in 2020/ 2021 due to the pandemic focused attention on reducing core costs and investigation of strategic opportunities.

- 1) The Financial Plan has reduced costs to circa £700k per annum.
- 2) The Trust will build on its role of becoming a hub of a vibrant community of charitable activities- delivering the Charity's aims.
- 3) *Debt was refinanced over a long-term repayment plan.*

The Monastery re-opened its doors to the public in August 2nd 2021. Since then, aside from Government instigated closure measures which impacted January 2022, we have remained open throughout.

The new operating model is focused on providing plenty of opportunities for the public to visit, receive help, participate and simply enjoy what is now on offer. Trustees are pleased with the progressive nature and implementation of the new model introduced during 2021.

The Monastery was re-opened to visitors and the public on August 2nd 2021, Sunday through Thursday from 10 am until 4 pm every day. On Fridays and Saturdays, Weddings and special events will be given exclusivity to generate and maximise commercial income, helping maintain the historic building.

The Monastery is free entry and free parking, but we ask for donations and sell tickets for specific tours, talks, events, or workshops. Visitors can avail themselves of so much;

- 1) Sanctuary of Peace and Healing- "Lifting the Spirits of the City" by providing compassionate professional support via this Well-Being Initiative.
- 2) A free drop-in for people dealing with anxiety and depression.
- 3) Free Legal Advice
- 4) Be Well.
- 5) Yoga, Tai Chi, Meditation, Mind-Moodling
- 6) Daily "HOUR OF SILENCE" in the Great Nave or Private Chapel.
- 7) Dementia Music Cafe, every week in the Nave with Manchester Camerata.
- 8) Guided Tours
- 9) Wisdom Study Centre Library.
- 10) Welcome Wing Cafe & Exhibition.
- 11) Gorton Voice Choir.
- 12) Cosy Co meeting hub.

Huge early National success has come from a Trusted Partnership with Manchester Camerata, which has seen a Dementia Music Café in the Nave for people living with Dementia. Substantial media exposure followed, heaping praise all around for this important work.

A Culture Recovery Fund Grant in 2021, enabled the greening of the site while improving its urban landscape and sustainability.

Social Impact Reporting Software is proving invaluable as we are able to monitor, measure and report on the plethora of activities provided to visitors of the Monastery.

The four pillars of activity we are engaged in, embrace the following:

1. Heritage & Culture
2. Health & Wellbeing
3. Ceremony & Celebration
4. Wisdom & Consciousness

## **THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**

### **YEAR ENDED DECEMBER 31st 2021**

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#### **STRUCTURE GOVERNANCE AND MANAGEMENT**

The Charity is a company limited by guarantee. It is governed by its Memorandum and articles of association dated September 19th 1996 as amended by special resolutions dated March 7th 1997, March 19th 1997, February 3rd 2006 and May 2019. It was registered with the Charity Commission on March 20th 1997.

The Directors acting as the Governing Body have the power to admit or refuse membership to any individuals or corporations. Membership may be terminated by resolution of an extraordinary general meeting called for that purpose by the Governing Body. There are currently five members of the company, each of whom has agreed to contribute a sum not exceeding £100 in the event of the Charity being wound up.

#### **APPOINTMENT, INDUCTION AND TRAINING OF TRUSTEES**

The Directors, who are the Trustees, together form the Governing Body. The Trustees who served during the year, together with any changes up to the date of approving this report, are listed on page 1. It is recognised that the changing nature of the Trust's focus, from restoring an important historic building to ensuring that its multi-faceted role is sustainably established. In the year, no new trustees were appointed.

Trustees are appointed for their specialist skills, knowledge and sound judgement. A relevant skill-set is sought that is appropriate for the successful delivery of the trust aims and objectives and its public benefit strategy. These skills inevitably vary as the trust progresses. We set out to establish a complementary board with a broad mix of skills, which satisfy our charitable objectives.

#### **SUCCESSION PLANNING**

In this the 26<sup>th</sup> year since the Charity was formed to save and restore Gorton Monastery, the Trustees remain committed to planning for future changes in the evolving membership of the Board and of its management. The two co-founders Elaine and Paul Griffiths, are also wholly supportive of a carefully considered approach to succession planning for the two roles they currently occupy and those occupied by existing trustees.

Trust solicitors Brabners LLP's Charity Practice is advising Trustees and help guide the board through the process to conclusion. It is intended to adopt measures to commence progressive implementation during 2023 and beyond. Any changes to current arrangements will be carefully implemented over a period of time.

#### **ORGANISATION**

The Governing Body, which must have not less than one and not more than 20 members, administers the Charity and meets as necessary and usually not less than six times a year. Through appropriate discussion, the planning into our future community activities helps to ensure that the Trust's vision of its role and purpose is realised. The management skills required and the abilities of colleagues employed in the business of the Trust and its subsidiary The Monastery Manchester are naturally different.

Delegated authority rests with the Chief Executive & co-founder of the Trust Elaine Griffiths OBE, DL. Trust Chairman Paul Griffiths DL, is also Chairman of the subsidiary. He is actively involved as a volunteer, chairing board meetings throughout the year and fulfilling Company Secretary duties. This approach ensures transparency between parent and wholly owned subsidiary. Comprehensive reports are provided to trustees on performance by way of monthly P&L and management information reports on a stand-alone and consolidated basis. Key Performance Indicators are reported against targets.

#### **PAY POLICY FOR STAFF**

The trustees of The Monastery of St. Francis & Gorton Trust Limited and its leadership team are the key management personnel of the Charity in charge of directing, controlling, running and operating the Charity. All trustees freely give their time, and no trustee received remuneration in the year.

At the end of December 2021, 9 employees were paid and on the books (2020: 30, including our bank of casual staff) serving all activities and events in pursuit of our charitable objectives.

#### **RELATED PARTIES**

The following transactions and balances are disclosed as related party transactions in accordance with the Charities SRP, FRS 102 and Companies Act 2006. Throughout this year, as in all preceding accounting periods, Mr Paul Griffiths has served as an unpaid Trustee of the Charity, and an unpaid director of The Monastery Manchester Limited (MML), the Charity's trading subsidiary.

During the accounting period, Mr Griffiths donated more than 2,800 hours to the Trust and The Monastery Manchester, and he continues to make no claims for travelling expenses.

Mr Griffiths also purchased goods for both The Monastery Manchester and the Trust totalling £14,215. (2020: £8,926). This was the expenditure for exceptional items required by The Monastery Manchester and the Trust, where there was no trading account for either company available. The amount has been reimbursed in the proper manner for expenses.

Elaine Griffiths, co-founder and Paul Griffiths' wife, is employed by the Charity as Chief Executive Officer and received gross salary of £65,575 (2020: £57,027). In addition, expenses of £1.4k (2020: £2.6k) were reimbursed.

#### **RISK MANAGEMENT**

The trustees have a risk management strategy that comprises an annual review of the principal risks and uncertainties the charity faces, coupled with the leadership team's ongoing measurement of risk factors.

#### **ENVIRONMENTAL POLICY**

The Monastery is committed to being environmentally responsible in the way it operates. The key components of this policy are addressing climate change, reducing waste and encouraging responsible business practice. This policy is enhanced by virtue of the Charity's drive to achieve the ISO 20121 International standard for sustainable event management. This policy is further enhanced by our long-term relationship with the Co-operative Bank and its ethical policy.

#### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees (who are also directors of The Monastery of St Francis and Gorton Trust 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).

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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT OF DISCLOSURE TO AUDITORS**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and establish that the company's auditors are aware of that information.

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 governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**SMALL COMPANY PROVISIONS AND APPROVAL**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board of Trustees and signed on its behalf by:



P Griffiths  
**Director**

29 September 2022

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

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**AUDITORS REPORT TO THE MEMBERS OF THE MONASTERY OF ST FRANCIS AND GORTON TRUST**

**Opinion**

We have audited the financial statements of The Monastery of St. Francis & Gorton Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of their 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 and Charities Act 2011.

**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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard

**AUDITORS REPORT TO THE MEMBERS OF THE MONASTERY OF ST FRANCIS AND GORTON TRUST**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Companies Act 2006 and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the charity and how the trustees and management seek to comply with them. This helps us to make appropriate risk assessments.
- During the audit we focus on relevant risk areas and review compliance with laws and regulations through making relevant enquiries and corroboration by, for example, reviewing Board Minutes and other documentation.
- We assess the risk of material misstatement in the financial statements including as a result of fraud and undertake procedures such as:
  - I. Review of controls set in place by the trustees and management
  - II. Enquiry of trustees and management as to whether they consider fraud or other irregularities may have occurred or where such opportunity might exist
  - III. Challenge of trustee/ management assumptions with regard to accounting estimates
  - IV. Identification and testing of journal entries, particularly those which may appear to be unusual by size or nature.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

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**AUDITORS REPORT TO THE MEMBERS OF THE MONASTERY OF ST FRANCIS AND GORTON TRUST**

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Martin Chatten**  
**For an on behalf of Royce Peeling Green Limited**  
**Chartered Accountants**  
**Statutory Auditor**

**Date.....**

The Copper Room  
Deva City Office Park  
Trinity Way  
Manchester M3 7BG

Royce Peeling Green Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
**(including the income and expenditure account)**  
**FOR THE YEAR ENDED DECEMBER 31st 2021**

	Notes	Unrestricted funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>INCOME</b>							
Donations	2	42,810	-	42,810	4,015	-	4,015
Charitable activities	3	75,308	439,700	515,008	88,727	925,500	1,014,227
Other trading activities	4	626,377	-	626,377	314,229	-	314,229
Other income		4,704	-	4,704	-	-	-
<b>TOTAL INCOME</b>		<b>749,199</b>	<b>439,700</b>	<b>1,188,899</b>	<b>406,971</b>	<b>925,500</b>	<b>1,332,471</b>
<b>EXPENDITURE</b>							
Cost of raising funds	6	374,869	980,728	1,355,597	619,474	332,270	951,744
Charitable activities	7	11,468	-	11,468	25,456	-	25,456
<b>TOTAL EXPENDITURE</b>		<b>386,337</b>	<b>980,728</b>	<b>1,367,065</b>	<b>644,930</b>	<b>332,270</b>	<b>977,200</b>
Net gains/losses on investments		-	-	-	-	-	-
<b>NET INCOME/ (EXPENDITURE)</b>	11	<b>362,862</b>	<b>(541,028)</b>	<b>(178,166)</b>	<b>(237,959)</b>	<b>593,230</b>	<b>355,271</b>
Transfers between funds		-	-	-	170,607	(170,607)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>362,862</b>	<b>(541,028)</b>	<b>(178,166)</b>	<b>(67,352)</b>	<b>422,623</b>	<b>355,271</b>
<b>RECONCILIATION OF FUNDS:</b>							
Balances brought forward	18	3,287,319	4,449,293	7,736,612	3,354,671	4,026,670	7,381,341
Balances carried forward	18	<b>3,650,181</b>	<b>3,908,265</b>	<b>7,558,446</b>	<b>3,287,319</b>	<b>4,449,293</b>	<b>7,736,612</b>

The notes on pages 20 to 34 form part of these financial statements

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**PARENT CHARITY STATEMENT OF FINANCIAL ACTIVITIES**  
**(including the income and expenditure account)**  
**FOR THE YEAR ENDED DECEMBER 31st 2021**

		Unrestricted funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Restated Unrestricted funds 2020 £	Restated Restricted Funds 2020 £	Restated Total 2020 £
Notes							
<b>INCOME</b>							
Donations	2	42,810	-	42,810	4,015	-	4,015
Charitable activities	3	75,308	439,700	515,008	88,727	925,500	1,014,227
Other trading activities	4	36,000	-	36,000	48,000	-	48,000
<b>TOTAL INCOME</b>		<b>154,118</b>	<b>439,700</b>	<b>593,818</b>	<b>140,742</b>	<b>925,500</b>	<b>1,066,242</b>
<b>EXPENDITURE</b>							
Cost of raising funds	6	78,713	980,728	1,059,441	41,408	332,270	373,678
Charitable activities	7	11,468	-	11,468	25,456	-	25,456
<b>TOTAL EXPENDITURE</b>		<b>90,181</b>	<b>980,728</b>	<b>1,070,909</b>	<b>66,864</b>	<b>332,270</b>	<b>399,134</b>
Net gains/losses on Investments		-	-	-	-	-	-
<b>NET INCOME/ (EXPENDITURE)</b>		<b>63,937</b>	<b>(541,028)</b>	<b>(477,091)</b>	<b>73,878</b>	<b>593,230</b>	<b>667,108</b>
Transfers between funds		-	-	-	170,607	(170,607)	-
<b>NET MOVEMENT IN FUNDS</b>	11	<b>63,937</b>	<b>(541,028)</b>	<b>(477,091)</b>	<b>244,485</b>	<b>422,623</b>	<b>667,108</b>
<b>RECONCILIATION OF FUNDS:</b>							
Balances brought forward	18	3,785,651	4,449,293	8,234,944	3,541,166	4,026,670	7,567,836
<b>Balances carried forward</b>	18	<b>3,849,588</b>	<b>3,908,265</b>	<b>7,757,853</b>	<b>3,785,651</b>	<b>4,449,293</b>	<b>8,234,944</b>

The notes on pages 20 to 34 form part of these financial statements

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**GROUP BALANCE SHEET**  
**AS AT DECEMBER 31st 2021**

	Notes	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	12		7,818,583		8,031,309
<b>CURRENT ASSETS</b>					
Stock		42,425		47,682	
Debtors	14	112,056		370,928	
Cash at Bank and in Hand		478,784		260,913	
		<u>633,265</u>		<u>679,523</u>	
<b>CREDITORS</b>					
Amounts falling due in one year	16	<u>(393,402)</u>		<u>(650,026)</u>	
<b>NET CURRENT ASSETS</b>			<u>239,863</u>		<u>29,497</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>8,058,446</b>		<b>8,060,806</b>
<b>LONG TERM CREDITORS</b>	17				
Amount falling due beyond one year			<u>(500,000)</u>		<u>(324,194)</u>
<b>NET ASSETS</b>			<u><b>7,558,446</b></u>		<u><b>7,736,612</b></u>
<b>FUNDS</b>					
Restricted funds	18		3,908,265		4,449,293
<u>Unrestricted funds</u>					
Designated funds	18	3,601,747		3,869,935	
General funds	18	48,434		(582,616)	
Total unrestricted funds			<u>3,650,181</u>		<u>3,287,319</u>
<b>TOTAL FUNDS</b>	18		<u><b>7,558,446</b></u>		<u><b>7,736,612</b></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Directors and authorised for issue on 29 September 2022.



Paul Griffiths

**DIRECTOR**

Company registration number: 03251869

The notes on pages 20 to 34 form part of these financial statements

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**PARENT CHARITY BALANCE SHEET**  
**AS AT DECEMBER 31st 2021**

	Notes	£	2021 £	£	2020 (Restated) £
<b>FIXED ASSETS</b>					
Tangible Assets	12		<b>3,255,347</b>		3,347,729
Heritage Assets	13		<b>4,563,136</b>		4,683,480
Investments	14		<b>100</b>		100
			<b>7,818,583</b>		8,031,309
<b>CURRENT ASSETS</b>					
Stock			-		-
Debtors	15	<b>75,464</b>		402,769	
Cash at Bank and in Hand		<b>422,525</b>		249,939	
		<b>497,989</b>		662,708	
<b>CREDITORS</b>					
Amounts falling due in one year	16	<b>(58,719)</b>		(124,879)	
			<b>439,270</b>		527,829
<b>NET CURRENT ASSETS</b>					
			<b>439,270</b>		527,829
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<b>8,257,853</b>		8,559,138
<b>LONG TERM CREDITORS</b>					
Amount falling due beyond one year	17		<b>(500,000)</b>		(324,194)
<b>NET ASSETS</b>					
			<b>7,757,853</b>		8,234,944
<b>FUNDS</b>					
Restricted funds	18		<b>3,908,265</b>		4,449,293
<u>Unrestricted funds</u>					
Designated funds	18	<b>3,601,747</b>		3,869,935	
General funds	18	<b>247,841</b>		(82,284)	
			<b>3,849,588</b>		3,785,651
<b>TOTAL FUNDS</b>					
			<b>7,757,853</b>		8,234,944

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Directors and authorised for issue on 29 September 2022.

  
Paul Griffiths

**DIRECTOR**

Company registration number: 03251869

The notes on pages 20 to 34 form part of these financial statements.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**GROUP AND PARENT CHARITY STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31st 2021**

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Cash flows from operating activities</b>					
Cash generated from operations	20	<b>130,256</b>	331,994	<b>84,971</b>	420,712
<b>Investing activities</b>					
Purchase of tangible fixed assets		<b>(6,424)</b>	(1,833)	<b>(6,424)</b>	(1,833)
Proceeds from disposal of tangible fixed assets		-	-	-	-
<b>Net cash used in investing activities</b>		<b>(6,424)</b>	(1,833)	<b>(6,424)</b>	(1,833)
<b>Financing activities</b>					
New borrowings		<b>500,000</b>	-	<b>500,000</b>	-
Repayment of borrowings		<b>(405,961)</b>	(105,111)	<b>(405,961)</b>	(171,547)
<b>Net cash used in financing activities</b>	21	<b>94,039</b>	(105,111)	<b>94,039</b>	(171,547)
<b>Net (decrease)/ increase in cash and cash equivalents</b>		<b>217,871</b>	225,050	<b>172,586</b>	247,332
Cash and cash equivalents at beginning of year		<b>260,913</b>	35,863	<b>249,939</b>	2,607
Cash and cash equivalents at end of year		<b>478,784</b>	260,913	<b>422,525</b>	249,939
<b>Cash and equivalents consist of:</b>					
Cash at bank and in hand		<b>478,784</b>	260,913	<b>422,525</b>	249,939
Bank overdrafts		-	-	-	-
		<b>478,784</b>	260,913	<b>422,525</b>	249,939

**NOTES TO THE FINANCIAL STATEMENTS.**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared: under the historic cost convention, as modified by the revaluation of investments (as set out below) through the Statement of Financial Activities (SoFA); in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1st 2015; FRS102; and the Companies Act 2006. The Charity constitutes a public benefit entity as defined by FRS102.

**Going Concern**

In this accounting period, the Trustees refinanced the charity's existing borrowings and secured additional grant funding and applied these funds:

- 1) To undertake essential maintenance and repair work to protect the charity's heritage assets.
- 2) To invest in various strategic initiatives in preparation for re-opening in August 2021.
- 3) To boost reserves and provide secure medium-term affordable loans for the period beyond the pandemic.
- 4) To fund routine revenue costs, not matched by routine income.

At the date of signing these accounts, the group is meeting all its liabilities as they fall due. Detailed financial projections have been prepared for the period to December 31st 2023. These forecasts predict that the group has adequate resources to meet its liabilities throughout this period without recourse to new borrowing.

In their consideration of insolvency risks, the Trustees have reviewed the reliability and prudence of the assumptions that underpin their financial forecasts. They have also interrogated the charity group's employed staff and relevant advisers, as appropriate. The Trustees are confident that, for reasons explained more fully in the Financial Review Section of the Trustees Annual Report, the assumptions on which the financial projections are based are robust.

Concerning the group's longer-term financial prospects, the board is confident that the de-risked business model for the trading subsidiary, and the fund raising potential generated from the Trusted Partner collaborations of the Charity, will enable the group reduce its indebtedness and further build cash reserves beyond existing levels of £207k. For these reasons, the trustees are fully satisfied that the accounts should continue to be prepared on a going concern basis.

**Funds structure**

Unrestricted funds are available at the discretion of the trustees in furtherance of the general objectives of the Charity. From time to time, the trustees may designate some or all of these funds for specific purposes; however, such designations may be varied or removed at the Trustees absolute discretion.

Restricted funds, donations or other charitable income, subject to specific conditions by the donor or grantor, or by the appeal's nature, restricted the funds to be used for specific areas of the Charity's work. Details of restricted funds at the year-end are given in Note 18.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 ACCOUNTING POLICIES (continued)**

#### **Income recognition**

All income is recognised once the Charity has an entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. The following applies to particular types of income:

**Grants**, whether of a capital or revenue nature, are recognised when the Charity has an entitlement to the funds, any performance conditions have been met, and it is probable that the income will be received.

**Donations** from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

**Earned income** is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

#### **Deferred income**

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out, and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure, and the grant conditions are such that unspent grant must be refunded

#### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds      including those associated with fund-raising activities, managing investments and commercial

Charitable activities      costs of undertaking the work of the Charity

The Charity is registered for VAT and can recover all input tax charged. Costs are stated exclusive of VAT where charged.

#### **Allocation of support costs**

Support costs are those attributable to functions that assist the Charity's work either by supporting the delivery of charitable activities, or by supporting the generation of funds. They include property costs, back-office functions, staff costs and professional fees. The basis of allocations is set out in Note 8

#### **Pension contributions**

The Charity operates a defined contribution pension scheme for its employees, agreeing the contribution rates with each individual. The contributions are paid to a third party who invests the contributions in a money purchase plan. Contributions are charged to the SoFA as they become payable.

**NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES (continued)**

**Tangible fixed assets and depreciation**

Individual fixed assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful lives on a straight-line basis, as set out below.

Depreciation rates are as follows:

Buildings	2%	
Kitchen equipment	5 -10%	
Church fittings	Nil	The residual value is not expected to decline over the asset's life.
Equipment & furniture	20%	

**Investments, gains and losses**

Fixed asset investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The SoFA includes the net gains and losses arising on revaluation and on disposals throughout the year.

Gains and losses on are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sale proceeds (net of transaction costs) and the opening carrying value or cost, if acquired during the year. Unrealised gains and losses are calculated on the difference between opening and closing fair values.

**Debtors**

Trade and other debtors are recognised at the settlement amount due, and prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

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

**Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

**Financial instruments**

The Charity has only basic financial instruments, which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

**Group financial statements**

The financial statements consolidate the results of the Charity and its wholly-owned subsidiary, The Monastery Manchester Ltd, on a line-by-line basis.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**2 DONATIONS**

	31/12/2021			31/12/2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Other donations	42,810	-	42,810	4,015	-	4,015
	42,810	-	42,810	4,015	-	4,015

**3 INCOME FROM CHARITABLE ACTIVITIES**

<i>Revenue income</i>	31/12/2021			31/12/2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Project grants	75,308	439,700	515,008	88,727	925,500	1,014,227
	75,308	439,700	515,008	88,727	925,500	1,014,227

**4 OTHER TRADING ACTIVITIES**

	31/12/2021			31/12/2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Rental Income	36,000	-	36,000	48,000	-	48,000
Merchandise & cafe sales	-	-	-	-	-	-
<b>Total per charity</b>	36,000	-	36,000	48,000	-	48,000
<i>Less eliminated on consolidation:</i>						
Rent re subsidiary	(36,000)	-	(36,000)	(48,000)	-	(48,000)
Add subsidiary income	626,377	-	626,377	314,229	-	314,229
<b>Total per group</b>	626,377	-	626,377	314,229	-	314,229

**5. INVESTMENT INCOME**

Neither of the companies in which the Group has investment have paid dividends in the last two years and the Group has not had surplus funds available to invest.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. COSTS OF RAISING FUNDS**

	31/12/2021			31/12/2020 (Restated)		
	Support of subsidiary £	External fundraising £	Total £	Support of subsidiary £	External fundraising £	Total £
Direct staff costs	51,984	-	51,984	3,815	34,332	38,147
Advertising & printing	4,326	-	4,326	-	23,409	23,409
Support costs	309,366	693,765	1,003,131	291,824	20,298	312,122
<b>Total per charity</b>	<b>365,676</b>	<b>693,765</b>	<b>1,059,441</b>	<b>295,639</b>	<b>78,039</b>	<b>373,678</b>
<b>Analysed as</b>						
<b>Restricted funds</b>						
Depreciation	189,399	-	189,399	189,490	-	189,490
Other costs	97,564	530,765	628,329	64,741	78,039	142,780
Grant to subsidiary	-	163,000	163,000	-	-	-
	286,963	693,765	980,728	254,231	78,039	332,270
<b>Unrestricted funds</b>						
Depreciation	29,751	-	29,751	41,408	-	41,408
Other costs	48,962	-	48,962	-	-	-
	78,713	-	78,713	41,408	-	41,408
<b>Total per charity</b>	<b>365,676</b>	<b>693,765</b>	<b>1,059,441</b>	<b>295,639</b>	<b>78,039</b>	<b>373,678</b>
Eliminated on consolidation			(163,000)			-
Subsidiary			459,156			578,066
<b>Total per group</b>			<b>1,355,597</b>			<b>951,744</b>

**7. CHARITABLE EXPENDITURE**

	31/12/2021			31/12/2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Community provision	11,468	-	11,468	25,456	-	25,456
Capital project	-	-	-	-	-	-
<b>Per charity &amp; group</b>	<b>11,468</b>	<b>-</b>	<b>11,468</b>	<b>25,456</b>	<b>-</b>	<b>25,456</b>
<b>Analysed between:</b>						
Direct costs	500	-	500	3,596	-	3,596
Support costs	10,968	-	10,968	21,860	-	21,860
	11,468	-	11,468	25,456	-	25,456

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. SUPPORT & GOVERNANCE COSTS**

	31/12/2021				Total £
	Community £	Capital project £	MM Ltd £	External Fundraising £	
<b>Support costs</b>					
Support staff	-	-	-	-	-
Property costs	-	-	32,571	-	32,571
Depreciation	-	-	219,150	-	219,150
Grant funded projects	-	693,765	-	-	693,765
Finance charges & interest	-	-	2,724	-	2,724
Office costs & other costs	-	-	9,341	45,580	54,921
	-	693,765	263,786	45,580	1,003,131
<b>Governance costs</b>					
Professional fees	10,968	-	-	-	10,968
Support staff	-	-	-	-	-
	10,968	-	-	-	10,968
<b>Total support costs</b>	10,968	693,765	263,786	45,580	1,014,099

	31/12/2020 (Restated)				Total £
	Community £	Capital project £	MM Ltd £	External Fundraising £	
<b>Support costs</b>					
Staff expenses, training & recruitment	-	-	85	588	673
Property costs	-	-	39,873	831	40,704
Depreciation	-	-	226,761	4,137	230,898
Finance charges & interest	-	-	21,050	-	21,050
Office costs & other costs	-	-	2,784	11,776	14,560
	-	-	290,553	17,332	307,885
<b>Governance costs</b>					
Professional fees	21,860	-	-	-	21,860
Support staff	-	-	1,271	2,967	4,238
	21,860	-	1,271	2,967	26,098
<b>Total support costs</b>	21,860	-	291,824	20,299	333,983

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. TRADING SUBSIDIARY**

	<b>31/12/2021</b>	<b>31/12/2020</b>
	<b>£</b>	<b>£</b>
Turnover	626,377	314,231
Cost of sales	(223,761)	(358,605)
Gross profit	402,616	(44,274)
Administration expenses	(271,395)	(267,461)
Other income	167,704	-
Net profit before and after tax (See Note 20)	<u>298,925</u>	<u>(311,835)</u>

Rent of £36,000 payable to charity (2020: rent £48,000), income from sale of services to the charity of £35,000 (2020: £nil) and other income of £163,000 (2020: £nil) are eliminated on consolidation.

Current assets	149,493	75,570
Creditors due within one year	(348,799)	(573,801)
Total net assets	<u>(199,306)</u>	<u>(498,231)</u>

**10. PAYROLL COSTS**

	<b>31/12/2021</b>	<b>31/12/2020</b>
	<b>£</b>	<b>£</b>
<b>a</b> The group payroll costs are as follows:		
Salaries	171,569	371,451
Social security costs	9,362	15,249
Employer pension contributions	10,787	5,761
	<u>191,718</u>	<u>392,461</u>

One employee earned more than £60,000 but less than £70,000 per annum (2020: one).

**b** Key management personnel comprise two directors and the key members of staff listed on page 1.

Remuneration & benefits	<u>88,114</u>	<u>125,081</u>
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**c** The average number of employees was as follows:

	<b>Number</b>	<b>Number</b>
MM Ltd	8	29
Fundraising and events	1	1
	<u>9</u>	<u>30</u>

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**11. GROUP NET INCOMING RESOURCES**

	31/12/2021	31/12/2020
This is stated after charging:	£	£
Auditors remuneration:		
Audit fees - current year	5,250	6,000
Accountancy fees - current year	3,500	4,000
Depreciation other tangible fixed assets	219,150	230,898
Directors' remuneration (Trust directors)	-	-
Trustee's expenses	-	-

**12. TANGIBLE FIXED ASSETS**

**GROUP & CHARITY**

	Freehold Land & Buildings £	Fixtures and Fittings £	Total £
<b>Cost</b>			
As at 1 January 2021	3,461,429	833,840	4,295,269
Additions	-	6,424	6,424
As at 31 December 2021	3,461,429	840,264	4,301,693
<b>Depreciation</b>			
As at 1 January 2021	224,041	723,499	947,540
Charged in the year	69,225	29,581	98,806
As at 31 December 2021	293,266	753,080	1,046,346
<b>Net Book Value</b>			
As at 31 December 2021	3,168,163	87,184	3,255,347
As at 31 December 2020	3,237,388	110,341	3,347,729

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

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**NOTES TO THE FINANCIAL STATEMENTS**

**13. HERITAGE ASSETS**

**GROUP & CHARITY**

	Freehold Land & Buildings	Church Fittings	Total
Cost	£	£	£
As at 1 January 2021	6,034,974	86,750	6,121,724
Additions	-	-	-
As at 31 December 2021	6,034,974	86,750	6,121,724
<b>Depreciation</b>			
As at 1 January 2021	1,437,221	1,023	1,438,244
Charged in the year	120,344	-	120,344
As at 31 December 2021	1,557,565	1,023	1,558,588
<b>Net Book Value</b>			
As at 31 December 2021	4,477,409	85,727	4,563,136
As at 31 December 2020	4,597,753	85,727	4,683,480

**14. INVESTMENTS**

Name of Subsidiary	Trading activity	2021 % Shares held	2020 % Shares held
The Monastery Manchester Ltd	Management services and event management	100	100
The Angels (Manchester) Limited	Dormant	100	100

The Monastery Manchester Ltd is entitled to claim exemption from audit for the year ended 31 December 2021 under S479A of the Companies Act 2006 due to the fact that the parent company has provided a guarantee over its liabilities.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**15. DEBTORS**

			Restated	
	Group 31/12/2021	Group 31/12/2020	Charity 31/12/2021	Charity 31/12/2020
	£	£	£	£
Trade debtors	35,818	5,303	-	-
Grants & income receivable	43,970	345,900	43,970	345,900
Amount due from subsidiary	-	-	-	48,651
Other debtors	-	-	5,462	-
Prepayments	32,268	19,725	26,032	8,218
	<b>112,056</b>	<b>370,928</b>	<b>75,464</b>	<b>402,769</b>

The amount due from the subsidiary company was disclosed in creditors in the prior year financial statements; this has been corrected.

**16. CREDITORS**

amounts falling due within one year

			Restated	
	Group 31/12/2021	Group 31/12/2020	Charity 31/12/2021	Charity 31/12/2020
	£	£	£	£
Bank loan	-	-	-	-
Loan from Architectural Heritage Fund	-	81,767	-	81,767
Trade creditors	77,611	62,317	20,422	31,422
Amount due to subsidiary	-	-	8,735	-
Social security and other taxes	7,021	12,178	-	894
Income received in advance	272,213	416,513	-	-
Accruals & other creditors	36,557	77,251	29,562	10,796
	<b>393,402</b>	<b>650,026</b>	<b>58,719</b>	<b>124,879</b>

The amount due from the subsidiary company was disclosed in creditors in the prior year financial statements; this has been corrected.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**17. CREDITORS**

Amounts falling due after more than one year

	Group 31/12/2021	Group 31/12/2020	Charity 31/12/2021	Charity 31/12/2020
	£	£	£	£
Bank loan	500,000	-	500,000	-
Other loans	-	55,000	-	55,000
Loan from Architectural Heritage Fund	-	269,194	-	269,194
	<b>500,000</b>	<b>324,194</b>	<b>500,000</b>	<b>324,194</b>

In January 2021 the charity drew down a CBILs loan of £500,000 which is repayable over 12 years from drawdown including an initial 12-month capital repayment holiday. The loan is secured by a first charge over the Charity's freehold land and buildings, guarantee from the subsidiary company and a debenture over its assets.

The loan from the Architectural Heritage Fund was repaid in full in 2021.

**18. STATEMENT OF FUNDS**

	2021				
GROUP	31/12/2020	Income	Expenditure	Transfers	31/12/2021
	£	£	£	£	£
Unrestricted general funds	3,287,319	749,199	(386,337)	-	3,650,181
Restricted funds	4,449,343	439,700	(980,728)	-	3,908,265
Total funds	<b>7,736,612</b>	<b>1,188,899</b>	<b>(1,367,065)</b>	<b>-</b>	<b>7,558,446</b>

	2020				
GROUP	31/12/2020	Income	Expenditure	Transfers	31/12/2020
	£	£	£	£	£
Unrestricted general funds	3,354,671	406,971	(644,930)	170,607	3,287,319
Restricted funds	4,026,670	925,500	(332,270)	(170,607)	4,449,343
Total funds	<b>7,381,341</b>	<b>1,332,471</b>	<b>(977,200)</b>	<b>-</b>	<b>7,736,612</b>

*Funds analysed between charitable and non-charitable:*

	2021	2020
	£	£
Charity unrestricted and designated	3,849,588	3,785,651
Charity restricted	3,908,265	4,449,293
	<b>7,757,853</b>	<b>8,234,944</b>
Trading subsidiary	(199,407)	(498,332)
	<b>7,558,446</b>	<b>7,736,612</b>

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**18. STATEMENT OF FUNDS**

(continued)

COMPANY	2021				
	31/12/2020	Income	Expenditure	Transfers	31/12/2021
	£	£	£	£	£
Unrestricted general funds	3,785,651	154,118	(90,181)	-	3,849,588
	<u>3,785,651</u>	<u>154,118</u>	<u>(90,181)</u>	<u>-</u>	<u>3,849,588</u>
<b>Restricted funds:</b>					
Heritage Emergency Fund	40,629	-	(40,629)	-	-
Culture Recovery Fund	571,484	439,700	(750,700)	-	260,484
Capital grants expended on fixed assets	3,837,180	-	(189,399)	-	3,647,781
	<u>4,449,293</u>	<u>439,700</u>	<u>(980,728)</u>	<u>-</u>	<u>3,908,265</u>
Total funds	<u>8,234,944</u>	<u>593,818</u>	<u>(1,070,909)</u>	<u>-</u>	<u>7,757,853</u>

COMPANY	2020				
	3/1/2020	Income	Restated Expenditure	Restated Transfers	31/12/2021
	£	£	£	£	£
Unrestricted general funds	3,541,166	140,742	(66,864)	170,607	3,785,651
	<u>3,541,166</u>	<u>140,742</u>	<u>(66,864)</u>	<u>170,607</u>	<u>3,785,651</u>
<b>Restricted funds:</b>					
Heritage Emergency Fund	-	233,700	(22,464)	(170,607)	40,629
Culture Recovery Fund	-	691,800	(120,316)	-	571,484
Capital grants expended on fixed assets	4,026,670	-	(189,490)	-	3,837,180
	<u>4,026,670</u>	<u>925,500</u>	<u>(332,270)</u>	<u>(170,607)</u>	<u>4,449,293</u>
Total funds	<u>7,567,836</u>	<u>1,066,242</u>	<u>(399,134)</u>	<u>-</u>	<u>8,234,944</u>

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 December 2021 are represented by:	Unrestricted funds		GROUP Restricted funds	Total
	Designated	General		
	£	£	£	£
Fixed assets	4,101,747	-	3,718,836	7,818,583
Net current assets/(liabilities)	-	48,434	191,429	239,863
Creditors due in more than one year	(500,000)	-	-	(500,000)
	<b>3,601,747</b>	<b>48,434</b>	<b>3,908,265</b>	<b>7,558,446</b>

Fund balances at 31 December 2020 are represented by:	GROUP			
Fixed assets	4,194,129	-	3,837,180	8,031,309
Net current assets/(liabilities)	-	(582,616)	612,113	29,497
Creditors due in more than one year	(324,194)	-	-	(324,194)
	<b>3,869,935</b>	<b>(582,616)</b>	<b>4,449,293</b>	<b>7,736,612</b>

Fund balances at 31 December 2021 are represented by:	Unrestricted funds		COMPANY Restricted funds	Total
	Designated	General		
	£	£	£	£
Fixed assets	4,101,747	-	3,718,836	7,818,583
Net current assets/(liabilities)	-	247,841	191,429	439,270
Creditors due in more than one year	(500,000)	-	-	(500,000)
	<b>3,601,747</b>	<b>247,841</b>	<b>3,908,265</b>	<b>7,757,583</b>

Fund balances at 31 December 2020 are represented by:	COMPANY			
Fixed assets	4,194,129	-	3,837,180	8,031,309
Net current assets/(liabilities)	-	(84,284)	612,113	527,829
Creditors due in more than one year	(324,194)	-	-	(324,194)
	<b>3,869,935</b>	<b>(84,284)</b>	<b>4,449,293</b>	<b>8,234,944</b>

Designated funds comprise the charity's fixed assets which are no longer subject to restrictions and the associated long term debt which are unavailable for distribution due to their illiquid nature and fundamental importance to the objects of the Charity.

**THE MONASTERY OF ST FRANCIS AND GORTON TRUST LIMITED**  
**YEAR ENDED DECEMBER 31st 2021**

**NOTES TO THE FINANCIAL STATEMENTS**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Net movement in funds	<b>(178,166)</b>	355,271	<b>(477,091)</b>	667,108
Depreciation and other fixed asset adjustments	<b>219,150</b>	230,899	<b>219,150</b>	230,899
Decrease/ (increase) in stocks	<b>5,257</b>	17,293	-	-
Decrease/ (increase) in debtors	<b>258,872</b>	(342,896)	<b>327,305</b>	(347,010)
(Decrease)/ increase in creditors	<b>(174,857)</b>	71,427	<b>15,607</b>	(130,285)
<b>Net cash generated from/(used in) operating activities</b>	<b>130,256</b>	331,994	<b>84,971</b>	420,712

**21. MOVEMENT IN NET DEBT**

Group	At 31 December 2021	Cash flows	Non cash flows	At 31 December 2020
	£	£	£	£
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	<b>478,784</b>	217,871	-	260,913
<b>Debt</b>				
Loans	<b>(500,000)</b>	(94,039)	-	(405,961)
	<b>(21,216)</b>	123,832	-	(145,048)

The parent company had net debt of £77,475 at 31 December 2021 (2020: £156,022).

**22. CONSTITUTION**

The Charity is a company limited by guarantee and does not have a share capital. In the event of winding up the members are liable to contribute up to £100 each. The number of members at the year-end was 5 (2020 -7).

**23. CAPITAL COMMITMENTS**

The Group and the parent company had no capital commitments at the year end.

**NOTES TO THE FINANCIAL STATEMENTS**

**24. CONTINGENT LIABILITIES**

Total funding received for both capital and revenue costs from major funders is as follows:

	<b>£'000</b>
Heritage Lottery Fund	4,733
ERDF	3,647
NWDA	330

Grants from the Heritage Lottery Fund (HLF) are potentially repayable in full or part if the land and buildings are disposed of or the company is wound up. The land and buildings cannot be disposed of without the prior consent of HLF. There is a second charge over the company's assets in favour of HLF. The company is required by the HLF to maintain the property in good repair following restoration.

ERDF funding is repayable in the event of the project not being completed or it achieving its objectives, or there is a change in use of the Monastery within 20 years.

A term of the grant from NWDA is that the property cannot be disposed of during its useful economic life without their prior written consent and in the event of a disposal NWDA is entitled to some or all of the proceeds in proportion to their contribution.

These liabilities are not expected to crystallise.

**25. TAXATION**

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax under sections 466 to 493 of the CTA 2010.

**26. RELATED PARTIES**

The transactions and balances are disclosed on page 9 of the Trustees' and Directors' Report as related party transactions in accordance with the Charities SORP, FRS 102 and Companies Act 2006.

**27. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made to re-analyse a transfer between funds of £170,607 which had previously been netted off expenditures. This does not change net assets or the surplus for the year previously report in the SoFA.

