

**Servite
Secular
Institute**

**Annual Report and Financial
Statements**

31 March 2021

Company Limited by Guarantee
Registration Number
04140544 (England and Wales)

Charity Registration Number
1085367

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Reference and administrative information

Trustees	Julia Arkell (Chairperson) Maureen Mullahy (Treasurer) Eileen Healy (Appointed 6 October 2020) Carolyn McAllister Gloria Rodriguez Palacino Mary Stephens Carmen Ybanez Mate
Registered office	130 Wood Street London EC2V 6DL
Correspondent address	Julia Arkell 17 Springfield Road Swindon SN1 4EP
Company registration number	04140544 (England and Wales)
Charity registration number	1085367
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 5 The Parade Oadby Leicester LE2 5BB CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling, Kent ME19 4JQ
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

Reference and administrative information

Investment manager	Epworth Investment Management Limited 9 Bonhill Street London EC2A 4PE
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INTRODUCTION

The Trustees present their statutory report together with the financial statements of the Servite Secular Institute (Servae Sanctae Mariae) for the year ended 31 March 2021.

This report, which serves as the Directors' Report for the purposes of company legislation, has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 34 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Roman Catholic organisation known as the Servite Secular Institute (the Institute) was founded in 1947 and is a women's Secular Institute of Pontifical Right, whose members strive for the perfection of charity and endeavour to contribute to the sanctification of the world. This purpose is lived by members 'in their own circumstances in the world' (Constitutions Art.1) and is further developed in the Constitutions, i.e. our life charter and obligations, which show that the charity has always sought to fulfil the public benefit requirement.

'The spirit is one of a family ... and finds its expression in the evangelical and apostolic life as taught by Christ Himself. It is in this family spirit that we persevere together to express the charism of our Institute as one of self giving to others, affirming universal brotherhood.... Christ's love is the driving force of our apostolic life of service which, whether we are in good health, sick or handicapped, is all-embracing.' (Arts. 3 & 4).

'Our Servite spirituality finds expression in an apostolic life corresponding to the daily needs of God's people (i.e. all mankind), in our own time and place.' (Art. 16).

'And so it is evident that our whole life is apostolic whether at home or at work, in our parish or social community, within the Institute, and wherever we find suffering or deprivation.' (Art. 17).

The Institute was recognised as an Institute of Diocesan Right in 1964 by the Roman Catholic Diocese of Westminster and, in the same year, was aggregated to the Order of the Servants of Mary (Servites), an international order of the Roman Catholic Church. In 1979 the Institute was recognised as an Institute of Pontifical Right subject to the Sacred Congregation for Consecrated Life. The Institute is governed by its own canonical constitutions.

The financial statements which accompany this report are those of the charitable company which owns the net assets of the United Kingdom Region of the Institute and through which its finances operate. The company is limited by guarantee (Company Registration No. 04140544 (England and Wales) and is a registered charity (Charity Registration No. 1085367).

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OBJECTIVES AND ACTIVITIES

The object of the charitable company is to support the religious and other charitable work carried out by, or under the direction of, the members of the Institute. Such work includes the advancement of the Roman Catholic religion, the development of spiritual values and the spread of the Christian values of caring for the needy and promoting justice and peace. The essence of a Secular Institute is that its members seek to do this through example and influence in all their daily activities; at home, in the workplace, in the parish, in their social activities, inspired by their life of regular prayer and study of the Gospels.

In the founding church document for Secular Institutes, Pope Pius XII declared:

'The effectiveness of Institute life in the Christian renewal of families, of secular professions, of society in general, through people's daily contact, from the inside of the secular scene... is obvious. These Institutes also open the way to many forms of apostolate and service in times, places and circumstances from which priests and religious are excluded' (Provida Mater 1947).

In his address to Secular Institutes during the 2007 Symposium, Pope Benedict emphasised that part of our 'secular mission is the commitment to build a society that recognizes in the various environments the dignity of the person and the indispensable values for its total fulfilment: from politics to the economy, from education to the commitment to public health, from the management of services to scientific research.....Therefore, may you feel challenged by every suffering, every injustice and every search for truth, beauty and goodness.'

Only one vowed member in the UK is in full-time paid employment. Most members are involved in voluntary work in their parishes and local communities. As well as striving for excellence in work, members live by their Christian values of compassion, caring, honesty, inclusiveness, respect for the individual and fairness. When in management positions, members seek to ensure that the organisation has good employment and other policies and that these are properly implemented. Those who are retired or who are caring for dependants continue their mission according to their circumstances.

Members of the Institute are formed by their Vows of celibate Chastity, Poverty and Obedience, a life of prayer and the Servite charism of service.

A vow of chastity is unusual in today's world. Apart from its significance for our personal lives it can, for example, be a source of support to young people we work with who may be seeking to reconcile the peer pressure for early sexual relationships with a personal desire to wait. They may find in us encouragement and a sign that chastity is not synonymous with lack of fulfilment, but can give rise to warm, fulfilled and caring people. Freedom from the responsibilities of marriage also allows us more time and energy to respond to the needs of our families and of the various communities in which we live and work.

Permanent commitment is becoming ever more rare and this can give rise to instability in family life and relationships. Sometimes meeting someone who has a permanent commitment like our own can provide an understanding of the value of stability.

OBJECTIVES AND ACTIVITIES (continued)

Our vow of poverty does not mean destitution, but it does provide an example that possessions and personal advancement are not the only source of happiness. It helps us to focus on the wider needs of society and to influence people in thinking about issues such as social justice and wise use of the earth's resources. Another aspect of our poverty which becomes more apparent as many of our members are becoming older is that we share the insecurities of other people living in the world when it comes to experiences such as unemployment, ill-health, and provision of care when elderly. As a Secular Institute, we do not provide accommodation or financial support to our members, although we ensure that they make proper provision for personal care and suitable arrangements for old age.

We live in an age of autonomy, with an emphasis on personal rights that does not always take into account the responsibilities that accompany such rights. While not removing our personal responsibility for our actions, our vow of obedience, which requires us to seek Institute advice about major decisions, forms us in taking into account the needs of others when action is needed. This is something we can pass on to others when decisions are to be made at work, in parish activities, in family and social life. This type of activity cannot be quantified and measured, but is nevertheless effective in creating micro-societies governed by caring for each other and social justice.

Prayer is at the heart of our way of life, strengthening us and inspiring and firming us in the values of Christ which we aim to live in all the circumstances of our daily lives. Our Constitutions require us daily to express that prayer 'in our active participation in the Liturgy of the Mass, in the recitation of the Liturgy of the Hours and of the Members' Prayer, and by devoting at least half an hour to prayerful union with God, or to silent adoration.' (Const.8)

In keeping with the ethos of being a Secular Institute, our Institute does not set up its own social and pastoral work, but members are expected to be active in their own environment. Each member seeks guidance from, and is accountable to her Institute Advisor for the nature and scope of her apostolate.

In later life our members are not immune from the trials of old age: insecurity, loneliness, a fear of dying, and a sense of uselessness now that the activities of an earlier, active life are no longer possible. The adjustment to changing circumstances becomes central to our apostolate; the life of prayer becomes more vital and the scope of prayer widens from the immediate context to the vaster universal concerns of the world.

Five members are in care homes and have little opportunity for practical service. Their main activity is prayer. They show care and consideration for the staff and other residents.

Areas of Focus

An activity or event is deemed to be successful if it has deepened our unity of love and common purpose and our awareness of the needs of the world. Our main areas of focus are further *discussed in detail below*.

Advancement of the Roman Catholic religion

At present our focus is on understanding, living and helping others to live according to the teaching of Pope Francis particularly in his three key encyclicals: *Evangelii Gaudium*, *Laudato Si* and *Fratelli Tutti*.

OBJECTIVES AND ACTIVITIES (continued)

Advancement of the Roman Catholic religion (continued)

During this year, the majority of members have been restricted in their ability to meet others. Some members live in areas which have had more severe and longer periods of lockdown. One lives in an area that has hardly had any let up. Members in Latin America have had even more restrictions.

Evangelii Gaudium

Several members of the Institute have a ministry of Spiritual Direction, in which they accompany people from various Christian traditions in deepening their faith. For most of the year, this has had to take place by phone or correspondence. Those who normally lead prayer groups have met by Zoom or WhatsApp where possible.

Other members animate groups for the study of scripture, the teaching of the Church and exploration of global issues of justice and peace in practical ways of caring for all peoples of the world and for our environment. During this year, those who were able to do so have arranged virtual meetings online. Others have contacted individuals by phone.

One member expresses her contacts thus: 'in person or through e-mails I am trying to share more frequently with others the joy and peace I experience by continuing to remain a faithful member of the Church in which I was baptized.'

Laudato Si and Fratelli Tutti

Pope Francis addressed both these encyclicals to all people of good will. The past year has shown the innate goodness of the majority of people in caring for neighbours and volunteering in community initiatives. Those members of the Institute who have been able to leave home and work in the community are happy to work with other members of the community of all faiths and none.

Climate Change, Care for the Environment

A member maintains the wetlands and creek on her property which provide food and water to wildlife in the area. She also removes debris from clogged storm sewer drain grates.

Members are careful to reduce their use of plastic. Several report that when buying clothes and bed linen they look for those made with natural fibres and to use 'guppy bags' when laundering those with synthetic fibres.

Members endeavour to recycle as much as possible. Some members have been litter picking in their neighbourhoods, often sorting and washing any of the rubbish that is being collected so that it can be recycled.

Members with gardens not only took the opportunity of lockdown to do more gardening but also planted seeds to grow plants that would help bees and other insects. Others have planted trees. One bought a number of fruit trees for children in a local school to plant.

Several members have taken part in Zoom meetings about global issues.

OBJECTIVES AND ACTIVITIES (continued)

Building community

We take care when investing to select ethical organisations. Members' private individual donations support charities promoting justice and peace. Members also take part in civic and community groups promoting social justice.

The Black Lives Matter protests began at a time when Public Libraries were closed. A member who belongs to a book group which normally meets in the library which supplies sets of books to read and discuss obtained a number of books written by black authors. She read them and encouraged her fellow readers to read them, before meeting on Zoom to discuss them. She and they came to a greater understanding of the unconscious racism that we have.

Care for others

As members of the Institute advance in age, several of them are cared for by other Institute members, but with fewer active members, our ability to care for the needy has been diminished. However, a number of members are active in parish and community groups who care for the needy and disadvantaged in various ways. All are alert to the needs of those among whom they live. Members who reside in various types of housing for older persons participate in and assist with developing community activities and mutual care. Those members who are able have done shopping for neighbours who had to isolate.

Some have prepared and delivered homemade meals to housebound individuals. Once restrictions were eased one member invited a lonely neighbour to tea every week first in her garden and when it was permitted in her house.

Others provided bottles of water to council refuse collectors during the hot weather.

One who has restricted mobility herself but is a car owner has given lifts to old or infirm friends and neighbours to hospital and other medical appointments. From April to December 2020, she gave such lifts to at least one person a day.

Another member found herself in an unusual position this year. She writes:

"This year, as last, I have continued to take the lead as Chair of Directors in our block of 50 retirement flats, and as a former nurse with knowledge of cross infection measures, in our response to the Covid-19 pandemic. This has involved disseminating information about Welsh government lockdown measures and how we implement them, daily provision of statistics about new cases etc, all with a view to giving residents sufficient understanding of the situation so that they understand why lockdown measures are so important. So far we have had no Covid-19 cases in our block.

OBJECTIVES AND ACTIVITIES (continued)

Care for others (continued)

Last year we became so dissatisfied with our Property Management Company that we decided to change them. We first did this by approaching our freeholder's company to ask if they would appoint a different company, having first researched the companies they usually use, and suggesting to them which one we would prefer. They were very willing to do this, but we then discovered a problem with our particular lease, in that the property management company is named as a party to the lease; needless to say they refused permission for us to change to another company. Our only alternative was to become a Right to Manage Company, which we did, and which has meant some of us becoming Company Directors, despite our rather advancing years, average age 87 years. We were then able to appoint a Property Management Company of our choice, but as Directors we have legal responsibilities and so have been on a very steep learning curve as, besides monitoring the day to day management of the property, which is now 17 years old and therefore needing increasing maintenance and repair, we have had to familiarise ourselves with placing contracts, deciding on insurance requirements, reviewing our management agreement etc. We have also had to concern ourselves with the well-being of some residents in a few instances.

Internally without being able to hold explanatory meetings we have had to produce and circulate documents and run ballots asking for agreement to dissolve the Residents' Association, so as not to have 2 organisations with overlapping functions in the same Development. We have also had to produce a supplementary document to our Articles of Association showing how we intend to ensure the continuing involvement of leaseholders and residents in the running of our development, so that they do not feel that the four Directors are a little clique apart who do what they want.

This is not how I envisaged spending my retirement, and it is consuming a great deal of time and thought despite declining health and energy, but it seems to be what I am called to do at present until we find new people coming to live here who could replace us as Directors. I derive the strength to do it from my Institute life of prayer and from the understanding and support of my Institute Group."

Activities in which Members of the Institute are involved

At this point in the report, we normally enumerate the different ways in which members serve the community. Most members are involved in voluntary work in their parishes and local communities. As well as striving for excellence in work, members live by their Christian values of compassion, caring, honesty, inclusiveness, respect for the individual and fairness. Those who are retired or who are caring for dependants continue their mission according to their circumstances. Three members are in care homes and have little opportunity for practical service. Their main activity is prayer. They show care and consideration for the staff and other residents.

The pandemic has changed the ways in which members are able to serve. Normally at this stage of the report we give tables showing a great range of activities in which members serve the community. Because of the pandemic, and the different stages and intensity of 'lockdown', many of the members have been restricted in their movements and unable to serve as before.

OBJECTIVES AND ACTIVITIES (continued)

Activities in which Members of the Institute are involved (continued)

Only two members in Europe are of working age. Both are in full time employment which has been particularly challenging during this year. One is a nurse in a London hospital where she works in a clinic for cardiac patients. Her normal hours are 37.5 a week. This year, in common with all working in the Health Service she has worked many more hours and dealt with a variety of situations. The other is a secondary school science teacher in Italy. This year much of her teaching has been on line which has involved a different way of preparing and presenting her lessons and many more hours work in order to help her pupils.

Some members in South America have either been unable to work or had their hours reduced because of pandemic restrictions. Only one has been able to work from home. She draws up plans for architects. Another whose job is as a carer and who normally cares for an elderly infirm man for several hours a day in his home, moved into his home at the beginning of the pandemic so that he would not be left without support.

The ways in which older members of the Institute have served the community during the year has already been described above in the section headed Area of Focus.

Formation and evaluation

Living these values in a society that often has other values, and which finds it difficult to appreciate the meaning of religious commitment can be very difficult to sustain. Hence members of the Institute have a prolonged formation in the understanding and practice of our way of life, and how to take opportunities to let other people benefit from our experiences without in any way imposing our viewpoint on them. The stages in formation involve:

- ◆ A pre-admission enquiry period of at least six months for discernment of a vocation.
- ◆ Four years' formation prior to making first vows.
- ◆ First vows are renewed several times, each renewal being preceded by further discernment.
- ◆ Perpetual vows may not be made until after at least five years in vows, and are preceded by at least one year's formative preparation.

During initial formation and afterwards, members also receive support and ongoing formation in a number of ways. These are also a means of monitoring the authenticity of members' living of our way of life:

Group meetings. These are an important source of support and stimulation. The UK Region has been innovative in finding opportunities for those who through failing health or travelling difficulties are unable to attend easily to have some group life through smaller more local meetings. The pandemic has added to these difficulties since often these are the very members who have difficulty using electronic methods of communication.

OBJECTIVES AND ACTIVITIES (continued)

Formation and evaluation (continued)

Annual Spiritual Retreat: Members are required by the Constitutions to have at least five consecutive days' retreat a year. These are an opportunity for members to evaluate their lives against their ideals. During the pandemic those with access to the internet have taken advantage of the resources that have been offered. Others have had increased time for prayer but have missed the opportunity for the stimulation given by preached or individually directed retreats.

Other conferences, meetings and assemblies including international events open to members: These meetings are for ongoing formation and support, or to discuss specific aspects of the Institute's life. During the pandemic, a certain number of events have been held on Zoom which is not available to all.

Advisors: Each professed member chooses a personal Institute Advisor with whom they discern the practicalities of living the life of an Institute member in all the situations of their everyday lives. Members are responsible for their own housing, employment, care in ill-health and any dependants they may have, but seek advice about any major changes, while retaining responsibility for their eventual decisions. The Institute considers it important that members continue their professional development and formation for all aspects of their apostolate. Members also continue, when appropriate for their personal development and ministry, to take courses in Spiritual Direction, Pastoral Ministry and/ or Theology. Meetings with the Advisor also ensure compliance with the financial and other administrative policies of the Institute. They take place at least once a year, but often more frequently according to need. In order to assist with the process of providing advice and guidance to members, the Institute has established supervision and support groups for Institute Advisors.

CMIS and UNIFAS: The World Council of Secular Institutes (CMIS) and the Union of all branches of the Servite Order (UNIFAS) also provide meetings and material for ongoing formation. Physical meetings that were to be held in 2020 and 2021 were cancelled. A few members of the Institute in both Argentina and the UK were able to participate in talks and retreats given on Zoom from Rome by members of the General Council of the Servite friars.

Other means of developing members, monitoring fidelity to the way of life and compliance with financial and other policies of the Institute are:

- ◆ **Visits** to Regions, Districts, Groups and isolated members by the President, Regional Director, Co-ordinators of Formation and other Council members as required, or their delegates. At these visits, ongoing formation is given according to the particular needs of the Region or District, and all members are interviewed about their personal Institute lives and their opinions sought about the life of the Region or District. No visits have been possible during the year in question.
- ◆ **Assemblies.** Every five years, International and Regional Assemblies are held. These are for elections, for discussion of changes to the Constitutions and Directories, and for agreeing priorities for the next five years. Interim non-elective Assemblies are held as necessary.

ACHIEVEMENTS AND PERFORMANCE.

The impact of COVID 19

The 5 yearly elective General Assembly is the most important event for the Institute. The Assembly was planned to take place from 22 April to 7 May 2020. Travel had been arranged, interpreters booked, a deposit paid for accommodation at the Kairos Centre Roehampton and they had acquired the necessary equipment for simultaneous translation. In March 2020, this was postponed until August 2020. Once it became apparent that the pandemic would last longer, the date was changed to 11 - 21 January 2021 and subsequently to 16 -21 August 2021. Since half the delegates would be coming from Latin America and there was no sign of travel restrictions being eased, it was decided in June 2020 to postpone the Assembly to 2022. By this time there were many religious organisations vying for accommodation to hold international meetings that had originally been organised for 2020 and 2021, in addition to those scheduled for 2022. We wished to continue to work with facilitator who had accompanied us in our preparatory work for more than 3 years and the first full fortnight that she would be free and the Kairos Centre could offer us accommodation was in November 2022. We have found accommodation at St Columba's House, Woking from 3 - 16 September 2022. but will have to hire equipment for simultaneous translation separately.

Meetings

Trustees' meetings

This year, it has been extremely challenging to carry out the business of the trustees. In April 2020 the Vice President of the Institute, who was also Correspondent to the Trustees resigned and left the trustee body. Since then, the Chair of the Trustees has been acting as Correspondent as none of the other remaining trustees felt able to take on this responsibility. The resignation also led to the need for changes to bank signatories and other administrative matters. These decisions had to be made by means of phone conversations and the sending of documents by post to be signed by a series of people, which took a lot of time.

Because of pandemic travel restrictions, physical meetings were impossible. The Chair of Trustees consulted the other Trustees by phone. Every quarter the treasurers of both the Regional and Groups accounts circulated statements of accounts to Trustees and heads of group. Virtual meetings were also impossible for the first 6 months of the year, as 4 of the UK Trustees were unable to use the internet to take part in meetings online. By January 2021, two had acquired some internet skills.

The election of a new Vice President, who would become a trustee, was a matter for the entire Institute. The consultation and subsequent election took place by means of phone calls and post in Europe and emails and virtual conferencing with South America. Eileen Healy was elected Vice President of the Institute and became a trustee on 6 October 2020. She immediately arranged to have tuition in order to be able to take part in virtual conferencing.

Annual Report: The majority of the work in compiling the annual report for the year 2019-2020 was completed by 3 members of the Trustees in the usual way. Additional material was required because of the pandemic. Application had to be made to both the Charity Commission and Companies House for extensions to submitting the report since the Trustees had not met to approve it. Revised filing dates were approved by the Charity Commission on 3 July 2020 and by Companies House on 13 July 2020.

ACHIEVEMENTS AND PERFORMANCE (continued)

Meetings (continued)

Trustees' meetings (continued)

Annual General Meeting: Thursday 26 November 2020 at 2.30 pm by Google Meet with the quorum of 3 Trustees. It was attended by the auditor partner from Buzzacott. She and her team had given invaluable help to the Trustees throughout the process of preparing the report. The Trustees considered the contents of the report; approved the letter of representation, the contents of annual report and approved it. They also agreed the letter of representation; and discussed possibilities for distribution of funds and the investment policy.

Another trustee meeting was held on 1 December 2020 by Google Meet. We discussed bank accounts, budgets, arrangements for financial records and account keeping and reporting; trustee training. One trustee had internet connection difficulties so the meeting had to close early since it was no longer quorate.

The meeting arranged to take place on 2 -4 March 2021 at St Mary's Convent, Handsworth was cancelled because of the renewed lockdown.

Other activity

Buzzacott Training for Trustees by Webinar: The President attended 'Addressing the impact of COVID-19 on financial reporting for charity and not-for-profit organisations.' 8 June 2020. also 'Regulatory and Governance update.' 17 and 26 November. Although 2 other Trustees booked for the latter webinars, one only managed to join one session, the other failed to connect for either.

Charity Commissioners: Annual Public Meeting. 1 October 2020. The President attended on line.

21 October 2020. The President attended a Webinar about Investment for a Green Recovery, Innovation in Impact Investing.

Safeguarding: The President took part in the consultations by Zoom for the setting up of the new safeguarding procedures for the Catholic Church in England and Wales. They took place on 10 February and 5 March 2021. She continues to take part in this consultation.

International Meetings

Preparatory Commission for the General Assembly: members of the General Council had many consultations together with the facilitator both by email and by Zoom meetings about the various postponements and ways to continue to consult the entire membership of the institute about the important decisions that would have to be made when the Assembly finally takes place. Zoom meetings were held on 20 April, 20 August, 16 October and 31 December 2020. Questions were devised and groups and individual members were asked to respond in 2 stages. The first set of preparatory documents in English, Italian and Spanish were sent out on 29 August 2020 and responses required by 29 November 2020. The responses were collated, translated and circulated to the members together with the questions for the 2nd stage were sent out on 25 January 2021. The responses to these were required by 4 April 2021.

ACHIEVEMENTS AND PERFORMANCE (continued)

Meetings (continued)

International meetings (continued)

International Council meeting took place by Zoom on 16 September 2020 to consult about the qualities required of a Vice President and the availability of those qualified to be elected. The representatives shared about the pandemic situation in their countries and how they were maintaining contact with members. Unfortunately, neither the UK Regional Director nor the District leader from Italy were able to attend. Neither delegated another member to attend.

General Council Meetings.

All meetings this financial year took place virtually by Skype, Google meet or Zoom with the assistance of an interpreter.

Meetings were held on 3 April, 28 April, 31 May, 26 July, 20 August, 24 August, 2020, 3 September, 13 October, 31 December 2020. The members of the General Council also kept in touch by email and took part in all the meetings of the Preparatory Commission.

16 October 2020: The President had a meeting by Skype with the General Council of Regnum Mariae.

International Visitations: Because of travel restrictions, it was not possible to make any International Visitations. Each month, the President wrote messages addressed to all members, associates and Friends of the Institute. She kept in individual contact by phone, letter or email with as many as possible throughout the year. She also joined Friends of the Institute in Colombia in prayer by Zoom on the first Wednesday of each month.

Communication with members in the UK and Europe was greatly affected by the pandemic. Only half the members in the UK use any form of on-line communication and only 2 in mainland Europe. The President has been able to communicate with members in Argentina and Colombia by email. She is also able to email Associates in Australia, England, Colombia and the USA. One to one phone calls with those who speak a different language is challenging when there are no visual clues.

The decision was made that financial assistance would be given to any member who needed to purchase or update equipment in order to use the internet. However, to date no requests have been made. Many of those who do not use modern technology are reluctant to try because of age or disability. Also, the pandemic has made it difficult to obtain help or training.

In Argentina some members were able to meet by WhatsApp. Communication with others was made by phone.

In Colombia meetings were held every 2 weeks by WhatsApp.

In Italy, the leader contacted members by phone. Most of the Italian members are elderly and housebound. The leader was able to visit a member who lives in the same town once restrictions were eased. In August, another travelled from near Bari to visit a member in Reggio Emilia but was not allowed into the care home.

ACHIEVEMENTS AND PERFORMANCE (continued)

UK Region

The life of the Region has been greatly affected by the pandemic. Only half the members use any form of online communication.

The UK Regional Council were unable to hold meetings as a Council either in person or virtually at any time during this financial year. They communicated by phone calls.

A few members of the Region joined together to exchange news and pray together by Zoom on 2 December 2020. Also, by Zoom they held an Epiphany get together on 6 January 2021, and met to pray together on 14 February 2021

Because of travel restrictions, illness and lack of internet connection neither the Northern nor the Bristol groups held any meetings. They kept in regular contact by phone calls.

Fulham Road Group: met at Kairos Centre, Roehampton 23 - 25 October 2020. They arranged accommodation and meeting space in Swindon for a meeting 25 - 27 November 2020 which had to be cancelled due to the renewed lockdown. They held Zoom meetings on 9 and 19 March 2021.

Senario group: Had to cancel the meetings they had arranged to hold at the Kairos Centre from 23 - 25 October 2020 and 26 - 28 February 2021. However, 3 members of the group were able to come together for the afternoon in the home of one of the members for the afternoon of 24 October. They met by Zoom in February and March 2021.

Other meetings

UNIFAS

International: No meetings were held in person. However, during April members of the General Council of the Servite Friars in Rome gave 8 day retreats in Italian and English which a number of members attended. These were followed by a series of Zoom meetings which took place every month for the rest of 2020.

UNIFAS UK and Ireland

There were no physical meetings. However, there were some events on Zoom.

6 September: A number of members were able to join the celebration of the Servite Sisters for the 70th and 60th Jubilees of 3 Sisters.

13 February: Some members took part in Evening Prayer for the feast of the Seven Founders of the Servite Order, together with friars, sisters and other lay members of the Order.

21 March 2021: Visual presentation of Our Lady at the Foot of the Cross by Fr Paul Addison OSM. A number of members from various countries attended.

COR

The President took part by Zoom in the General Meeting on 29 October 2020: Embracing the Future with Hope.

ACHIEVEMENTS AND PERFORMANCE (continued)

Other meetings (continued)

NCSI

The annual Conference arranged to be held at Boars Hill, Oxford in April 2020 had to be cancelled. The President took part in committee meetings by Zoom on 10 October, 7 November 2020 and 6 February, 20 March 2021.

Financial results for the year

A summary of the year's results can be found on page 29 of the attached financial statements. The Servite Secular Institute is self-financing with regular donations and gifts from vowed members. Since members finance themselves, the income of the Institute is derived from their donations and gifts. These are determined by each member in consultation with her Institute Advisor according to her basic needs and other commitments and the requirements of the Institute. During the period, regular donations including Gift Aid amounted to £5,307 (2020 – £5,484) and other donations totalled £300 (2020 - £2,613). The other sources of income comprised investment income and interest receivable of £1,072 (2020 - £3,693) and donations towards the cost of conferences, meetings and assemblies of £712 (2020 - £280) Total income for the year was £6,679 (2020 - £11,295). Total expenditure during the year amounted to £18,534 (2020 - £20,734), £18,534 (2020-£12,634) of which related to the direct support of the religious and other charitable work of members of the Institute. The charity incurs no outside fundraising costs, and management and administration costs are low as the work carried out by members of the Institute in administering the charity is unpaid. Net expenditure before investment gains was £11,855 (2020-£9,439 net expenditure before investment losses). After accounting for net gains on the revaluation of investments of £5,316 (2020 – net losses of £5,655), the charity's overall fund balances decreased by £6,539 (2020- decreased by £15,094).

The Institute does not make grants to other charities. However, members may make donations on an individual basis. As most UK members are now pensioners, their disposable income is decreasing.

During this year, in addition to supporting their local parish, wherever possible, members have increased their giving to medical charities, food banks and those supporting the homeless and refugees.

The other charities they support include: those promoting the Christian message and spiritual activity; missionary orders; other religious orders and congregations. charities that are concerned with children, the aged, young people; the hospice movement; support for the sick and injured. Many give to charities for first aid; sea and air rescue; seafarers; prisoners and their families, penal reform; support for the sick and injured; housing charities; for support for individuals or families in a variety of human needs; also to specific health charities including mental illness; medical research; environmental and cultural charities.

Performance of investments

The value of listed investments, which fluctuated during the year, rose over the 12 months to £43,497 at 31 March 2021, a rise of 13.9 % net over the year and the Institute received £600 income. There is very little interest on the bank investment accounts.

ACHIEVEMENTS AND PERFORMANCE (continued)

Members' expenses

No member receives remuneration for work done for the Institute. The Institute's money is used to sustain meetings, visitation and activities, which are explained above. Members in financial difficulty are funded to attend institute activities and relevant conferences and meetings. Most are able to make a small financial contribution. Increasing costs of travel, retreats and meeting accommodation mean that more members may require help with these expenses in the future.

FUTURE PLANS

Because of the continuing global pandemic, it is very difficult to plan the future. Everything is provisional. The highest authority in the Institute is the General Assembly. The decisions of each General Assembly remain in force until the next General Assembly, which must review them in order to confirm, change or nullify them. Administration is the responsibility of the President of the Institute and General Council and in most important matters, decisions are made in consultation with the International Council. The members of the Institute have been considering changes to the structure of the Institute or possibly amalgamating with another Secular Institute which shares the same charism and way of life. Therefore the 2020 General Assembly was to be a very important one.

The legislation of the Church has always required that General Assemblies are held with the delegates physically present. A certain amount of preparatory work can take place virtually but decisions have to be made by members gathered together. At the end of April 2021, in view of the continuing pandemic, the Sacred Congregation (CICASAL) in Rome gave permission to institutes of Consecrated Life to hold their next elective General Assembly virtually. However, all the delegates would need to participate in every session. Should any group lose internet connection at any time, the proceedings would need to pause until connection was restored. The members of the Preparatory Commission have decided that in view of the importance of the matters to be discussed at this particular Assembly, the time differences, the age of a number of the participants and the difficulty of really understanding the issues at a distance this would not be a satisfactory way to hold the Assembly. Preparations continue for the Assembly to take place from 1 - 15 September 2022.

In some ways, the Institute has not suffered financially as much as the fund-raising charities since the income from members' regular donations has remained stable. For some years this income has had to be supplemented by interest from investments. Investment income has been diminishing for years and with the prospect of a deep recession we cannot rely on any interest.

The Trustees are revising the budgets for the coming two years to make allowance for increased expenditure on meetings. It is likely that air and rail fares will have increased considerably by the time we are able to travel again and there may have to be more reliance on taxis for short local journeys. Participants in international meetings will need to re-apply for visas with the associated costs for couriers to take original documents in addition to payment for the visas. Given the current level of free reserves, this expected increase in expenditure is not considered to be problematic.

FUTURE PLANS (continued)

Trustee Meetings

26 May at Kairos Centre and by ZOOM; 19 August at Kairos Centre and by ZOOM; 26 September at Wistaston Hall, Crewe and by ZOOM. Further meetings to be arranged.

13 October 2021 AGM to be held at Buzzacott, 130 Wood Street. London

General Council Meetings

25 April, 19 May, 13 July, 14 September 2021. Further meetings to be arranged.

UK Region

Regional Assembly scheduled to take place at Kairos Centre, Roehampton from 13 - 19 April 2021. Has been postponed until 18 - 20 August 2021 at Kairos Centre.

Group Meetings

Fulham Road Group; 25 - 27 May 2021 at Kairos Centre, Roehampton; 20 - 22 August, Kairos; 26 - 28 September Wistaston Hall, Crewe; 4 October 2021 at Fulham Road Priory, 264 Fulham Road, London. Further meetings to be arranged.

Senario Group: 16 -18 July 2021 and 29 - 31 October 2021 at Kairos Centre.

RISK MANAGEMENT

◆ **Income**

Covid 19: The Trustees are aware the pandemic may continue to cause economic difficulties. More members of the charity may have to request help with fares for meetings and some groups will find that the costs of their meetings will increase. Costs of both accommodation and travel are already increasing. There may have to be more reliance on taxis for short local journeys. The UK groups are revising their budgets accordingly and consider that they have sufficient funds for at least another year. The Trustees are revising the budgets for the coming two years to make allowance for increased expenditure on International and Regional meetings. It is likely that air fares will have increased considerably by the time we are able to travel to and from South America again. Also, we would need to be prepared to fund extra hotel accommodation in case of a need for isolation.

RISK MANAGEMENT (continued)

◆ **Income** (continued)

Covid 19 (continued): The main expenditure of the charity is the cost of international assemblies, international council meetings and visitations. At present these are funded principally from reserves and by contributions from the members in the UK Region, whose numbers are decreasing, and most of whom are retired. Therefore, future income is uncertain. The uncertainty of the effect on the value of sterling of the current economic and political situation adds to the probable long-term effects of the pandemic. Changes in the cost of fares and the travel restrictions caused by the pandemic will affect future plans for overseas visitations. Currently there are sufficient reserves to cover travel in the next two years. However, the charity is in the process of revising its governance and structure in order to minimise the constitutional requirements for such major expenses in the long term. During the year, all members have been consulted by means of questionnaires. However, such changes require an actual meeting of international representatives which has not been possible because of the travel restrictions caused by the pandemic. This is a risk which the Trustees continue to monitor and work to find solutions. Any change in structure would have to be approved by the Sacred Congregation.

◆ **Availability for leadership**

Until recently, the major leadership roles have been undertaken by members of the UK Region. As stated above, they are ageing, and not only their own health but also the health of family members for whom they care, makes them less available for leadership roles. This is a risk to the effective management of the charity, because there may not be sufficient UK members to undertake Trusteeship in the future. The trustees are collaborating with other institutes of consecrated life to find ways of continuing to manage funds in the UK when leadership of the Institute may be filled by non-UK citizens. The President has taken part in a number of Zoom consultations with leaders of other institutes. The Trustees are still exploring the possibilities.

◆ **Administration costs**

Until now most of the secretarial, bookkeeping and accountancy work has been undertaken by members of the Institute free of charge. Because of the increasing age and state of health of the UK members able to undertake these administrative tasks, the institute may need to employ professionals to do them. Since some of those presently fulfilling these tasks have been unable to take part in the meetings of Trustees, decisions have yet to be made.

◆ **Lack of vocations**

Vocations to all forms of consecrated life in the Catholic Church are increasingly from the Southern hemisphere. At the present time we have no members in formation in the UK. Therefore, Trusteeship may have to be undertaken by those who are not members of the Institute in order to maintain control of funds in the UK. This is a risk to the values and ethics of the charity as others would be administering it on our behalf.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Canonically the Institute is governed by Canon Law and by its own Constitutions. The President and General Council of the Institute worldwide are elected at a representative International Assembly every five years. The General Assembly which should have taken place in April 2020 is now expected to be held in September 2022. The term of office of the President and General Council have been extended until that time. The Institute worldwide is then divided into Regions and Districts. In a region most decisions are made at Regional level. The Director and Council members are elected at a Regional Assembly, which all members of the region may attend. This is held at least every five years. The UK is the only remaining region and it held its last elective Regional Assembly in October 2015. Districts are those geographical or cultural areas which are new in the Institute or which have very few members. At present there are five Districts. Districts come under the governance of the General Council. Where there are sufficient members within Regions or Districts, groups are formed to which local members "belong". Groups meet regularly for mutual support and continuing formation. In the UK, there are four groups, each with an elected head. Throughout the world there are forty-two vowed members, one member in formation, and five Associate members, with one in formation for Associate membership. The charity has no employees but uses self-employed and voluntary translators, interpreters, meeting facilitators, and secretarial help. These are often members of Religious Congregations, especially the Servite Order.

In civil law, the Servite Secular Institute is a Registered Charity, Charity Registration No. 1085367, and is a Company Limited by Guarantee, Company Registration No. 04140544 (England and Wales), governed by a Memorandum and Articles of Association.

Trustees

The Trustees constitute the members and directors of the company for the purposes of the Companies Act 2006 and Trustees of the charity for the purposes of charity legislation. They meet regularly to review developments and to make decisions affecting the charity.

At any one time there should be a minimum of six Trustees but there is no maximum number. In order to avoid confusion between Trustees and directors with financial and legal responsibility for the charity, and members of Councils who are given these responsibilities by the Church. The Constitution of the charity states that the members of the General Council and the UK Regional Council of the Institute are the ex-officio Trustees of the charity.

The Trustees constitute the members and directors of the company for the purposes of the Companies Act 2006 and Trustees of the charity for the purposes of charity legislation. They meet regularly to review developments and to make decisions affecting the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees (continued)

The following Trustees served throughout the financial year and up to the date of approval of this report, except as shown:

	Appointed/ resigned
Julia Arkell (Chairperson)	From April 2020 acting as Correspondent
Alexis Pottinger (Correspondent)	Resigned 28 April 2020
Eileen Healy	Appointed 6 October 2020
Maureen Mullahy (Treasurer)	
Carolyn McAllister	
Gloria Rodriguez-Palacino	
Mary Stephens	
Carmen Ybanez-Mate	

Appointment and training of Trustees

Trustees are experienced members of the Servite Secular Institute and therefore fully conversant with its aims and objectives. They already have copies of the Institute's Constitutions, Directories and Financial and Administrative Policies and Procedures. On becoming Trustees they receive a copy of the Charity Commission's document CC3 – "The Essential Trustee: An introduction", together with other relevant documents. The Charity Commission website is monitored every three months and Trustees are alerted when new documents are published or changes made.

We are fortunate in that our auditor, Buzzacott LLP, arranges study days for Trustees. We also receive feedback from the AGM and study days arranged by the Conference of Religious.

Key management personnel

The Trustees consider that they alone comprise key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. None of the Trustees are remunerated for their services to the charity.

Relationships with other organisations

The Institute is a part of the Order of Servants of Mary (Servite Order) which includes friars, religious sisters and lay members. It shares the same spirituality and derives great benefit and spiritual support from these links which are both informal and formal through the organisation known as UNIFAS (Union of the Servite Family), which functions at international and national levels. Its aim is to foster mutual support and shared activities. However, each branch of the Order, including ourselves, is self-governing.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Relationships with other organisations (continued)

Usually, an assembly of the leaders of the many expressions of the Servite order is held every four years. This is an opportunity to gain greater knowledge of the work, challenges and successes of friars, enclosed nuns, active religious sisters and lay people living in all the continents. They also organise a quadrennial congress at which a larger number of friars, sisters and lay people from all over the world meet, to share their hopes and fears, to experience life in a different culture, and to study an aspect of the work of the church in the world today. The last four have been held in Mexico, Brazil, Italy and the Philippines. The subjects have been: work with young people, care of the environment, new evangelism and solidarity and collaboration at the 'periphery'. Regnum Mariae is another secular institute aggregated to the Servite Order. During the last three years the two institutes have been exploring ways to collaborate more closely. The UK Region is represented on the steering committee of the national UNIFAS which co-ordinates joint action between friars, sisters, the Institute and members of the secular order and other Servite groups living and working in the UK and Ireland. One focus of co-operation is the Peregrine ministry of prayer and support for people suffering from cancer, AIDS or terminal illness. Members in Argentina and Colombia also take part in their national UNIFAS meetings.

The Institute is a member of the World Conference of Secular Institutes (CMIS), and the UK National Conference of Secular Institutes (NCSI). These provide opportunities for discussion of common issues and support, and represent the Secular Institutes as appropriate in discussions with the Church. These bodies publish journals and newsletters and arrange regular conferences on matters relevant to Secular Institutes.

The UK National Conference of Secular Institutes (NCSI) organises an annual conference. The Regional Director is a member of the organising committee.

In the UK, the Institute has observer status with the Conference of Religious (CoR), which is again helpful as there are common issues between Secular Institutes and Religious Congregations. The Institute receives copies of their regular mailings and members participate in relevant activities.

The Institute pays an annual subscription to all these bodies and subscribes to their publications. It also gives financial assistance to members of the Institute attending their study days and conferences. There are no other financial or legal obligations resulting from membership of these organisations.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Servite Secular Institute for the purposes of company law) are responsible for preparing the Trustees' report and 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 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 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that she ought to have taken as a Trustee in order to make herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for the maintenance and integrity of the charity 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.

VOLUNTEERS AND MEMBERS OF THE INSTITUTE

The Trustees wish to record their recognition of the professionalism and commitment of all volunteers and the individual members of the Institute. All the work carried out in administering the charity is unpaid, and the dedication and commitment of all involved is very much appreciated.

The following table is a summary of the work done for the Institute by its individual members:

	Number of Members	Hours per year
Attendance at non-Institute events on behalf of the Institute (in person and by Zoom)	3	100
Attendance at SSI meetings and events (in person and by Zoom)	8	425
Secretarial work / preparing email responses for non-English speakers	1	40
Telephone contact between Advisors and Advisees	8	300
Work done by elected institute officials	1	1,225
Work done by appointed institute officers	3	200
Formation	1	25

Approved by the Trustees and signed on their behalf by:

Trustee - Julia Arkell

Approved by the Trustees on: 13.10.2021

Independent auditor's report to the members of the Servite Secular Institute

Opinion

We have audited the financial statements of the Servite Secular Institute (the 'charitable company') for the year to 31 March 2021, which comprise the statement of financial activities, the comparative statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 March 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 accounts 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.

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 requires us to report to you if, in our opinion:

- ◆ the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient and proper accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns;
- ◆ 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 company's regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 accounts.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charitable company through discussions with management and Trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Companies Act 2006; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and Safeguarding Regulations as they affect the direct charitable activities of the charity; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ Making enquiries of management and representatives from the Trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the accounts 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 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 Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Amanda Francis (Senior Statutory Auditor)
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 December 2021

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities including an income and expenditure account Year to 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations and legacies	1	300	—	300	1,349	1,264	2,613
Investments and interest receivable	2	1,072	—	1,072	3,693	—	3,693
Charitable activities	3	5,307	—	5,307	4,989	—	4,989
Total income		6,679	—	6,679	10,031	1,264	11,295
Expenditure on:							
Charitable activities							
. Support of the religious and other charitable work of members of the Institute	4	18,534	—	18,534	19,470	1,264	20,734
Total expenditure		18,534	—	18,534	19,470	1,264	20,734
Net expenditure before investment gains (losses)		(11,855)	—	(11,855)	(9,439)	—	(9,439)
Net gains (losses) on the revaluation of listed investments	10	5,316	—	5,316	(5,655)	—	(5,655)
Net expenditure and net movement in funds	6	(6,539)	—	(6,539)	(15,094)	—	(15,094)
Reconciliation of funds							
Balances brought forward at 1 April 2020		496,579	—	496,579	511,673	—	511,673
Balances carried forward at 31 March 2021		490,040	—	490,040	496,579	—	496,579

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	9		35		46
Investments	10		434,593		428,948
			434,628		428,994
Current assets					
Debtors	11	20,946		23,494	
Cash at bank and in hand		39,666		48,721	
		60,612		72,215	
Current liabilities					
Creditors: amounts falling due within one year	12	(5,200)		(4,630)	
Net current assets			55,412		67,585
Total net assets			490,040		496,579
The funds of the charity					
Unrestricted income funds					
. General funds			295,040		306,579
. Designated funds	14		195,000		190,000
			490,040		496,579

Approved by the Trustees and signed on their behalf by:

Trustee - Julia Arkell

Approved on: 13.10.2021

Servite Secular Institute: Company Registration No. 04140544 (England and Wales)

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation,

These financial statements have been prepared for the year to 31 March 2021 with comparative information provided in respect to the year to 31 March 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been 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 (Charities SORP FRS 102), SORP Update Bulletins 1 and 2, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates. The main items in the financial statements where such judgements and estimates have been applied are in determining the amounts to be set aside by the Trustees from the charity's general unrestricted funds as designated funds and estimating future income and expenditure for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

Given that the current level of free reserves significantly exceeds the charity's reserves policy, even after taking designated funds into account, the expected increase in travel and meeting expenditure in future is not considered to be problematic. The Trustees continue to assess the appropriateness of the going concern assumption in the context of the organisation's ongoing activities on a regular basis, and as and when the restrictions arising from the Coronavirus pandemic change.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, investment income and interest receivable, income from charitable activities (being regular contributions from members and contributions towards the cost of retreats, assemblies and conferences) and miscellaneous income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and the amount has been received.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Regular contributions from members and contributions towards the cost of retreats, assemblies and conferences are recognised when the charity has confirmation of the amount and the settlement date.

Services provided by members of the Institute

For the purposes of these financial statements, no value has been placed on administrative and other services provided by the members of the Servite Secular Institute.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and stated inclusive of irrecoverable VAT.

Expenditure comprises the cost of charitable activities in achieving the charity's primary charitable purposes of supporting the religious and other charitable work of members of the Institute.

Expenditure recognition (continued)

Governance costs, which comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice, are included within the cost of charitable activities.

Tangible fixed assets

All assets costing more than £50 and with an expected useful life exceeding one year are capitalised.

◆ *Computers and other equipment*

Expenditure on the purchase and replacement of computers and other equipment is capitalised and depreciated at 33 $\frac{1}{3}$ % per annum on a reducing balance basis.

◆ *Fixtures and fittings*

Expenditure on the purchase and replacement of fixtures and fittings is capitalised and depreciated at 15% per annum on a reducing balance basis.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Funds structure

The funds of the charity are in the main unrestricted and available for use in furtherance of the charity's objectives at the discretion of the Trustees. Within the total unrestricted funds of the charity, the Trustees have designated amounts for specific purposes. Details of these are provided in note 14.

Details of funds raised for a specific purpose or subject to donor imposed conditions, and therefore restricted, are given in note 13.

Statement of cash flows

The financial statements do not include a statement of cash flows because the charity is considered a small charity and is therefore exempt from the requirement to prepare such a statement under the Charities SORP FRS 102 Update Bulletin 1.

1 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations	300	—	300	1,349	1,264	2,613

2 Income from investments and interest receivable

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
UK equities	—	—	—	126	—	126
NS&I and other deposits	1,072	—	1,072	3,567	—	3,567
	1,072	—	1,072	3,693	—	3,693

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Regular contributions from members	4,595	—	4,595	4,709	—	4,709
Retreats, assemblies and conferences	712	—	712	280	—	280
	5,307	—	5,307	4,989	—	4,989

4 Expenditure on charitable activities:

Support of the religious and other charitable work of members of the Institute

	Unrestricted funds	Restricted funds	2021 Total funds	Unrestricted funds	Restricted funds	2020 Total funds
	£	£	£	£	£	£
Travel costs	21	—	21	2,360	292	2,652
Retreats, meetings, conferences & visitations	2,000	—	2,000	230	877	1,107
Interpreters and translation	1,309	—	1,309	1,182	—	1,182
Donations	—	—	—	160	—	160
General administration	1,334	—	1,334	1,276	95	1,371
Governance costs (note 5)	7,218	—	7,218	7,940	—	7,940
Miscellaneous (archives)	6,652	—	6,652	6,322	—	6,322
	18,534	—	18,534	19,470	1,264	20,734

5 Governance costs

	Unrestricted funds	Restricted funds	2021 Total funds	Unrestricted funds	Restricted funds	2020 Total funds
	£	£	£	£	£	£
Audit fees	5,628	—	5,628	6,430	—	6,430
Company secretarial services	1,590	—	1,590	730	—	730
Taxation services	—	—	—	780	—	780
	7,218	—	7,218	7,940	—	7,940

6 Net expenditure and net movement in funds

This is stated after charging:

	2021 Total funds	2020 Total funds
	£	£
Auditor's remuneration		
. Statutory audit services – current year	5,130	4,560
. Statutory audit services – prior year includes	498	1,870
. Non-audit services – Company Secretarial services	1,590	1,510
Depreciation	11	16

7 Staff costs and remuneration of key management personnel

The charity employed no staff during the year and hence incurred no staff costs (2020 – none).

The Trustees alone comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

7 Staff costs and remuneration of key management personnel (continued)

None of the Trustees received any remuneration from the charity during the year (2020 - none). As members of the Institute, certain of the Trustees' travel, conference and retreat expenses during the year were borne by the charity. Travel expenses totalling £152 (2020 - £344) were reimbursed to one (2020 - four) Trustees during the year.

The Trustees have taken out Trustee indemnity insurance to cover the liability of the Trustees which by virtue of rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Institute. The premium paid by the charity amounted to £375 (2020 - £375) and provided cover of £100,000 (2020 - £100,000).

8 Taxation

The Servite Secular Institute is a registered charity and, therefore, is not liable to income tax or corporation tax on income and gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9 Tangible fixed assets

	Computers and other equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020 and at 31 March 2021	600	194	794
Depreciation			
At 1 April 2020	576	172	748
Charge for the year	8	3	11
At 31 March 2021	584	175	759
Net book values			
At 31 March 2021	16	19	35
At 31 March 2020	24	22	46

10 Fixed asset investments

	2021 £	2020 £
Listed investments		
Market value at 1 April 2020	38,181	43,836
Additions	—	41,129
Disposals	—	(40,862)
Net unrealised gains (losses)	5,316	(5,922)
Market value at 31 March 2021	43,497	38,181
National Savings and other short-term deposits	391,096	390,767
Total investments at 31 March 2021	434,593	428,948
Cost of listed investments at 31 March 2021	36,122	36,122

Listed investments held at 31 March 2021 comprised the following:

	2021 £	2020 £
Common investment funds – accumulation units	42,244	37,406
UK equities	1,253	775
	43,497	38,181

All listed investments were dealt in on a recognised stock exchange.

11 Debtors

	2021 £	2020 £
Income tax recoverable (including interest)	778	778
Prepayments and accrued income	19,988	22,536
Other debtors	180	180
	20,946	23,494

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	5,200	4,630

13 Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Retreats, conferences and meetings	—	—	—	—

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Retreats, conferences and meetings	—	1,264	(1,264)	—

The income of the charity during the year to 31 March 2020 included donations which were restricted for use towards the costs of retreats, conferences, and meetings at all levels of the Institute in 2019/20. All such income was expended fully during that year.

14 Designated funds

The income funds of the charity include the following designated funds, which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	At 1 April 2020 £	New designations £	Utilised/ released £	At 31 March 2021 £
Assemblies 2020 – 2022	65,000	5,000	—	70,000
International meetings	70,000	—	—	70,000
UK Regional meetings	22,000	—	—	22,000
Formation	6,000	—	—	6,000
SSI development fund for members in economically distressed countries	27,000	—	—	27,000
	190,000	5,000	—	195,000

	At 1 April 2019 £	New designations £	Utilised/ released £	At 31 March 2020 £
Assemblies 2018 – 2020	60,000	5,000	—	65,000
International meetings	70,000	—	—	70,000
UK Regional meetings	22,000	—	—	22,000
Formation	7,500	—	(1,500)	6,000
SSI development fund for members in economically distressed countries	26,000	1,000	—	27,000
	185,500	6,000	(1,500)	190,000

14 Designated funds (continued)

◆ *Assemblies 2020 – 2022*

This fund represents monies designated towards the General and Regional Assemblies between 2020 and 2022.

◆ *International meetings*

This fund comprises monies set aside to meet the costs of travelling and attending international meetings and conferences of the Institute. The next International Council meeting will be held mid term of office. There will be meetings of the General Council at least once a year.

◆ *UK Regional meetings*

This fund comprises monies set aside to meet the costs of travelling and attending UK Regional meetings of the Institute.

◆ *Formation*

This fund comprises monies set aside to meet the costs of any future formation meetings.

◆ *SSI development fund for members in economically distressed countries*

This fund comprises monies set aside to provide financial assistance to members of the Institute in areas of the world facing economic distress.

15 Analysis of net assets between funds

	General funds £	Designated funds £	Total 2021 £	General funds £	Designated funds £	Total 2020 £
Fund balances at 31 March 2021						
Are represented by:						
Tangible fixed assets	35	—	35	46	—	46
Investments	244,593	195,000	439,593	238,948	190,000	428,948
Net current assets	50,412	—	50,412	67,585	—	67,585
	295,040	195,000	490,040	306,579	190,000	496,579
Unrealised losses included above:						
On listed investments	7,375	—	7,375	(2,059)	—	(2,059)
Reconciliation of movements in unrealised gains on investment assets						
Unrealised (losses) gains at 1 April 2020	(2,059)	—	(2,059)	7,714	—	7,714
Add: realised on disposal	—	—	—	267	—	267
Net unrealised gains (losses) arising in year	5,316	—	5,316	(5,922)	—	(5,922)
Unrealised gains at 31 March 2021	7,375	—	7,375	2,059	—	2,059

16 Related party transactions

As members of the Institute, the Trustees make both regular donations to the charity and contribute towards the cost of retreats, conferences and assemblies. The total value of the contributions received from the Trustees by the charity during the year, excluding any Gift Aid claimed thereon, is approximately £2,040 (2020 – approximately £1,560).

There were no other related party transactions during the year (2020 – none).

Detailed income and expenditure account Year ended 31 March 2021

This page does not form part of the statutory financial statements.

	International £	Regional £	Groups £	Total 2021 £
Income				
Regular donations	—	—	4,595	4,595
Donations (meetings etc)	—	300	608	908
Income tax refunds on donations (including interest)	—	—	—	—
Investment income	600	472	—	1,072
Conferences assemblies and retreats	—	—	104	104
Total income	600	772	5,307	6,679
Expenditure				
Charitable expenditure				
Support of the religious and other charitable work of the members of the Institute				
. Travel	—	—	21	21
. Retreats	—	—	—	—
. Meetings	—	—	668	668
. Conferences & Assemblies	—	23	—	23
. Visitations	1,309	—	—	1,309
. Translation costs	1,130	—	—	1,130
. Depreciation	—	11	—	11
. Membership (NCSI, CMRS, UNIFAS and CMIS)	133	180	—	313
. Postage and stationery	287	26	23	336
. Bank charges	85	—	85	170
. Archive costs (including rent)	2,607	4,045	—	6,652
. Other costs - events	—	—	—	—
. Other expenses-insurance	375	—	—	375
. Legal Identifier Registration	—	—	—	—
. Website	—	—	—	—
. Booklets & Journals	233	15	60	308
	6,159	4,300	857	11,316
Donations				
. Mass stipends	—	—	—	—
Governance				
. Audit and accountancy	2,998	3,320	300	6,618
. Change of director	600	—	—	600
Total expenditure	9,757	7,620	1,157	18,534

Detailed income and expenditure account Year ended 31 March 2021

This page does not form part of the statutory financial statements.

	International £	Regional £	Groups £	Total 2020 £
Income				
Regular donations	—	—	4,709	4,709
Donations (meetings etc)	1,809	29	—	1,838
Income tax refunds on donations (including interest)	—	—	775	775
Investment income	2,961	732	—	3,693
Conferences assemblies and retreats	—	174	106	280
Total income	4,770	935	5,590	11,295
Expenditure				
Charitable expenditure				
Support of the religious and other charitable work of the members of the Institute				
. Travel	2,255	269	128	2,652
. Retreats				
. Meetings	1,199	380	1,117	2,696
. Conferences & Assemblies		363	—	363
. Visitations	767			767
. Translation costs	1,182	—	—	1,182
. Depreciation	12	4	—	16
. Membership (NCSI, CMRS, UNIFAS and CMIS)	100	70	—	170
. Postage and stationery	194	33	7	234
. Bank charges	74	—	74	148
. Archive costs (including rent)	2,460	3,862		6,322
. Other costs - events	(2,959)	240	—	(2,719)
. Other expenses-insurance	605	—	—	605
. Legal Identifier Registration	78			78
. Website	120	—	—	120
. Seminar Italy				
	6,087	5,221	1,326	12,634
Donations				
. Mass stipends	90	—	70	160
Governance				
. Audit and accountancy (inc. £100 fine -regional)	7,320	620	—	7,940
Total expenditure	13,497	5,841	1,396	20,734

This page does not form part of the statutory financial statements.

	International £	Regional £	Groups £	Total 2021 £
Net (expenditure) income before investment gains and losses	(9,157)	(6,848)	4,150	(11,855)
Transfer of funds	1,000	3,800	(4,800)	—
Net investment gains/ losses	5,316	—	—	5,316
Net movement of funds	(2,841)	(3,048)	(650)	(6,539)
Balances brought forward	121,821	362,775	11,983	496,579
Balances carried forward	118,980	359,727	11,333	490,040

	International £	Regional £	Groups £	Total 2020 £
Net (expenditure) income before investment gains and losses	(8,727)	(4,906)	4,194	(9,439)
Transfer of funds	4,124	(1,124)	(3,000)	—
Net investment gains/ losses	(5,655)	—	—	(5,655)
Net movement of funds	(10,258)	(6,030)	1,194	(15,094)
Balances brought forward	132,079	368,805	10,789	511,673
Balances carried forward	121,821	362,775	11,983	496,579

