

**Servite
Secular
Institute**

**Annual Report and Financial
Statements**

31 March 2022

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) Noreen Bint (appointed 13 October 2021) Eileen Healy Carolyn McAllister Gloria Rodriguez Palacino Mary Stephens Valerie Voak (appointed 13 October 2021) Carmen Ybanez Mate
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Correspondent address	Julia Arkell 17 Springfield Road Swindon SN1 4EP
Company registration number	04140544 (England and Wales)
Charity registration number	1085367
Independent Examiner	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
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Reference and administrative information

Investment manager

Epworth Investment Management Limited
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London
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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 2022.

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 26 to 29 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).

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 increasingly 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.

Four 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)

Areas of focus (continued)

Advancement of the Roman Catholic religion (continued)

Although the effects of the pandemic have not been so severe this year, some of the members have still had restrictions in their activity and ability to meet others.

We are also taking part in the Synodal process that Pope Francis has begun throughout the world-wide Church, both with other institutes of consecrated life and within our parishes and dioceses.

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. This has often had to take place by phone or correspondence, although some face-to-face meetings have been possible. Those who lead prayer groups continued to use Zoom or Google Meet but are gradually re-instating meeting in person.

Those who normally lead prayer groups continued to meet by Zoom or WhatsApp for most of the year. However, towards the end of the year it became possible for a number of groups to meet in person. A number of those who attended formerly are still hesitant so that group leaders find themselves doing the work twice over; leading groups in person and on line.

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. For most of the year, these meetings have been held virtually. It is only as the financial year ended that it was possible to arrange physical meetings. 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. Some of the community initiatives that began during the pandemic have ceased as restrictions were lifted. Members have maintained the cooperation and friendships that they had forged with members of other faiths and cultural groups while they worked together in the previous year.

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.

OBJECTIVES AND ACTIVITIES (continued)

Areas of focus (continued)

Climate Change, Care for the Environment (continued)

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. Some report that they have taken the opportunity to research the availability of reusable products and to share this knowledge with others.

Members have planted trees as individuals or with others in celebration of the Queen's Jubilee. Those with gardens and sufficient energy have continued to try to grow more fruit and vegetables.

Several members have taken part in Zoom meetings about global issues presented by CAFOD; Laudato Si Institute and other aid and environmental bodies.

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.

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. A few 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.

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.

Many of the community groups have still not recommenced the activities that took place before the pandemic. In the second half of the year, some groups tentatively recommenced face to face. As restrictions eased, members have visited or phoned housebound or lonely neighbours and encouraged them to meet others.

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.

The majority of the members in Europe are now elderly. The last 2 years has speeded up the aging process for many. Some of the younger members have suffered severe illness during the year and some are suffering from 'long Covid' which continues to sap their energy.

OBJECTIVES AND ACTIVITIES (continued)

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

Two years ago, most members were involved in voluntary work in their parishes and local communities, often initiating or leading such activity. Members still serve to the best of their ability but an increasing number are no longer able to organize, some even to take part in regular organized service.

Although the pandemic has lessened and the majority of legal restrictions have been lifted, a number of members have continued to be limited in their activities this year. Some of the voluntary activities in which they have served the community have still not recommenced. In the second half of the year, some groups tentatively resumed meeting face to face.

A few of the friendship groups that they help to animate have recommenced face to face; others remain on Zoom and by telephone. This means that the more active of the members have found themselves busier than ever. It has been difficult to plan since friends or neighbours might suddenly have a positive lateral flow test and have to self-isolate or have their work shift changed at short notice and need help with childcare. Members have found that each day is different, and they have learnt to just respond to the need or opportunity that each day brings.

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 dependents 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.

Among activities that retired and still active members have been involved in are community food banks, welcoming and befriending refugees and other migrants, accompanying people to medical appointments, shopping for those unable to do their own,

Only two members in Europe are of working age. Both are in full time employment which has continued to be challenging 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. She works in two schools and has worked extra hours in order to help her pupils catch up on the teaching that they missed in the previous year.

Some members in South America have either been unable to work or had their hours reduced because of pandemic restrictions and the worsening economic situation. Only one has been able to work from home. She draws up plans for architects.

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.

OBJECTIVES AND ACTIVITIES (continued)

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 lasting effects of the pandemic have exacerbated the difficulties that older members experience in travelling to meetings. This year, only one UK group has been able to come together for meetings. A couple of members from other groups have joined them from time to time. Apart from this, contact has been maintained through more frequent telephone calls and letters. The way forward is a topic that will be explored more fully at the General Assembly to be held in September 2022. Unfortunately, those members who are unable to travel because of increasing frailty tend to be those who have difficulty using electronic means of communication. Two members who live in care homes in different parts of London have been visited frequently by other designated members.

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. As retreat houses reopened, some members were able to take part once more in a residential retreat.

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. This year, a certain number of events have been held on Zoom which is not available to all.

OBJECTIVES AND ACTIVITIES (continued)

Formation and evaluation (continued)

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. An Assembly of CMIS is planned to take place in Rome in August 2022. The President hopes to be able to attend. There have been meetings by Zoom for UNIFAS (UK) during the year to celebrate feast days and for study. During the last two years when travel has been curtailed, various branches and areas of the Servite Order have increased their newsletters. The President receives these by email and has forwarded them to those able to receive electronic communication and printed them to share with others.

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. The UK Region held a meeting at the Kairos Conference Centre, Roehampton in August 2021. However, only half the members were able to travel to the Kairos Centre to attend.

ACHIEVEMENTS AND PERFORMANCE

Meetings

Trustees' meetings

Carrying out the business of the Trustees has continued to be challenging this year. Two Trustees are unable to use the internet and three have had serious illness and/or hospital treatment during the year.

There will be an overhaul of the Trustee body after the General Assembly. In the meantime, two new Trustees were appointed during the year to help with decision making.

The Trustees have made use of every opportunity to meet either in person or by Zoom.

Meetings were held on:

Wednesday 28 May 2021 with 3 Trustees at the Kairos Centre, Roehampton and 2 attending by Zoom

Thursday 19 August 2021 with 3 Trustees at the Kairos Centre, Roehampton and 1 attending by Zoom

Thursday 7 October 2021 with 4 Trustees attending by Zoom and 2 consulted by telephone

The AGM was held on Wednesday 13 October 2021 with 4 Trustees at Buzzacott, 130 Wood Street, London EC2V 6DL and one taking part by Microsoft Teams. Another was consulted by telephone.

Wednesday 23 and Thursday 24 February 2022 at St Mary's Convent, Hunters Rd, Handsworth, Birmingham with 5 Trustees present.

Other activity

Charity Commission Annual Public Meeting: 30 September 2021. The President attended on line.

COR Safeguarding Consultation meetings: The President attended meetings by Zoom on 13 April, 6 May, 16 June, 15 July, 23 September, 18 October, 30 November 2021 and 23 February 2022.

Buzzacott Training for Trustees by Microsoft Teams:

Regulatory and Governance Update. The President took part on 8, 15, 22, 30 September 2021 and in Digital and Cyber Security on 9 February 2022.

ACHIEVEMENTS AND PERFORMANCE (continued)

Meetings (continued)

International Meetings

There were no meetings during the year in question. Groups and individuals continued to work on preparation for the General Assembly, reflecting and commenting individually and in groups on questions and ideas sent around the Institute by email and post. Individual communication between members of the International Council was by email, post and Whatsapp as appropriate.

General Council Meetings

These took place by Zoom with the aid of an interpreter on 5 May, 12 May and 19 May 2021; 14 July, 4 August, 14 September, 5 October, 15^h November 2021, and 29 March 2022.

Districts and Regions

Argentina

Members met weekly by WhatsApp.

Colombia

Meetings have been held every 2 weeks; by Whatsapp for the first part of the year. Now the members meet in person with an internet link to the member who lives in Barranquilla.

Italy

Most of the Italian members are elderly and housebound. The leader continues to phone members regularly. The three members who live in Turin have now been able to meet in person.

UK Region

The meeting postponed from April 2021 took place at The Kairos Centre, Roehampton from 18th-20th August 2021. 7 members participated. Others were prevented by illness or old age and frailty.

Groups

The Fulham Road Group met from 25 -27 May 2021 and 20-22 August 2021 at The Kairos Centre, Roehampton. The group also met from 26-28 September 2021 on 12 October 2021 at Wistaston Hall, Crewe.

A meeting was held by Zoom on 6 January 2022 and 23 February 2022. From 22-24 March 2022, a meeting was held at the home of a member in West Ealing, London.

In order to save stress and money on extra travelling the group decided, whenever possible, to add days on to other meetings.

The other groups in the UK were unable to meet during the year. The members kept in touch with one another by phone.

ACHIEVEMENTS AND PERFORMANCE (continued)

Meetings (continued)

Other meetings

UNIFAS (UK)

Members of the Region took part in the Servite Family Day which was held on Zoom on 9 October 2021. Illustrated talks were given on Aspects of the Assumption.

NCSI

The AGM and annual weekend which was to have taken place in April 2021, was held at Wistaston Hall, Crewe from 24-26 September 2021. The subject was Fratelli Tutti. UK members of six Secular Institutes participated. The General Secretary of CMIS, who is a French lecturer in law gave two presentations by Zoom which led to discussion and the sharing of experience. Four members of the Institute were able to attend.

A member of the Institute attended the committee meetings that were held by Zoom in March and June 2021, and February 2022.

COR

The President attended a General Meeting by Zoom on 18 May, she had booked to attend the AGM held at The Claretian Centre, Hayes, Middlesex from 25-26 October but was unable to do so because of a friend's accident. However, she and two other members of the Region took part by Zoom in the presentation by Sr Joan Chittister OSB entitled 'The Spiritual Mountains of the New Millennium: A Journey to Adulthood'.

The President also took part by Zoom in Synodal consultations for Institutes of Consecrated Life on 24 November 2021 and 12 January and 9 February 2022; meetings about the Environment on 27 September and 18 October 2021, and in meetings of regional leaders on 28 April, 24 May, 2 July, 5 October 20-21 and 13 January 2022.

FINANCIAL REVIEW

Results for the year

A summary of the year's results can be found on page 24 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 £4,300 (2021 – £4,595) and other donations totalled £583 (2021 - £300). The other sources of income comprised investment income and interest receivable of £907 (2021 - £1,072) and donations towards the cost of conferences, meetings and assemblies of £1,998 (2021 - £712) Total income for the year was £7,788 (2021 - £6,679). Total expenditure during the year amounted to £32,552 (2021 - £18,534), all (2021 - £17,534) 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 £24,764 (2021 - £11,855 net expenditure before investment gains). After accounting for net gains on the revaluation of investments of £544 (2021 – net gains of £5,316), the charity's overall fund balances decreased by £24,220 (2021 - decreased by £6,539).

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.

FINANCIAL REVIEW (continued)

Reserves policy

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that at any one time the charity should have adequate free reserves to ensure that interest and income receivable on short-term deposits and other investments is sufficient to cover any shortfall of other income over expenditure. Generally, the aim would be to maintain free reserves of between £200,000 and £300,000.

Financial position

The net assets of the charity, which at 31 March 2022, totalled £465,820 (2021 – £490,040), comprise mainly National Savings, Special Interest Bearing Account balances, other short-term deposits, a small number of shares with a UK company quoted on the stock exchange and an investment in common investment funds.

Due to the current economic situation, and continuing low interest rates, the interest income credited to free reserves is negligible. The unusually large legacy receipts over recent years has led to our free reserves rising above the desired level of £200,000 and they amounted to £270,793 (2020 – £295,005) representing the value of unrestricted general funds of £270,820 (2021 – £295,040) excluding the net worth value of tangible fixed assets i.e. £27 (2021 – £35) at the year end date. Further consideration will be given to how these funds will be applied in future. However, the 'windfall' nature of the receipt of legacies in prior years means that careful discernment is needed, which will take time. Given the pressures of the Coronavirus pandemic and the likelihood of additional expenditure on travel and meetings being required in future years, the trustees consider the current level of free reserves to be appropriate, despite it being in excess of the reserves policy.

Designated funds remain at £195,000 at 31 March 2022 (2021: £195,000).

Performance of investments

The value of listed investments, which fluctuated during the year, rose over the 12 months to £44,041 at 31 March 2022, a rise of 1.3% net over the year and the Institute received £868 income. There is very little interest on the bank investment accounts.

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

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 planned for April 2020 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 3-16 September 2022.

In some ways, the Institute did not suffer financially during the covid pandemic since the income from members' regular donations has remained stable. For some years this income has had to be supplemented by interest from investments. Some of the money in the bank investment accounts will be used to pay for the General Assembly. The value of the other investments which has been fluctuating during the year is likely to decrease in the coming year.

Trustees' Meetings

Will take place partly in person, partly by Zoom on 6, 9, 20 August 2022. Other meetings to be planned.

The AGM is planned to take place at Buzzacott on 13 October 2022.

COR Safeguarding Consultation Meetings

The President intends to take part by ZOOM in meetings on 26 April, 22 June 2022 and in further meetings during the year.

International

General Assembly

The most important meeting of the Institute is planned to take place at St Columba's House, Maybury Hill, Woking, Surrey GU22 8AB from 3- 16 September 2022.

General Council Meetings:

To be held by Zoom. On 10 May 2022, 7 June, 10 June, 22 June, 9 August 2022.

FUTURE PLANS (continued)

UK Region

Group meetings

Fulham Road group: meetings planned for 28-29 April 2022 at St Mary's Convent, Handsworth; 16-18 May 2022 at the home of a member in West Ealing, London. Further meetings to be planned.

Other meetings

CMIS

The President intends to take part in the Assembly in Rome from 24-28 August 2022.

NCSI

The AGM and annual weekend are to be held at St Mary's Convent, Handsworth, Birmingham from 29 April-1 May 2022. 4 members of the Region will take part.

RISK MANAGEMENT

◆ **Income**

The Trustees are aware of the present uncertain economic situation. The income of the charity is mainly derived from the regular donations made by the UK members. Some of them may have to reduce their giving as the cost-of-living increases. The cost of travel and accommodation for those UK members still able to travel to meetings is increasing so some of them may have to request help with fares. As these members age they are already more reliant on taxis for short local journeys. They are already taking these factors into consideration as they plan future meetings. The Trustees consider that they have sufficient funds for at least one year from the date of this report.

The General Assembly in September 2022 which will make decisions on the future structure of the Institute will take this into account. Internationally the Institute will have to rely more on electronic means of communication. International travel will be kept to a minimum. Once the General Assembly has decided the future structure of the Institute, the Trustees will be able to plan the budget.

◆ **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.

RISK MANAGEMENT (continued)

◆ **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. All of these matters will be decided by the General Assembly which hopefully will finally take place in September 2022, having been delayed for two years.

◆ **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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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. This year two extra Trustees have been appointed, one of whom is a vowed member of the institute and the other a longstanding Friend.

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.

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)	
Noreen Bint	Appointed 13 October 2021
Eileen Healy	
Maureen Mullahy (Treasurer)	
Carolyn McAllister	
Gloria Rodriguez-Palacino	
Mary Stephens	
Valerie Voak	Appointed 13 October 2021
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 independent examiner, Buzzacott LLP, arranges study days for Trustees. We also receive feedback from the AGM and study days arranged by the Conference of Religious.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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.

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. Members in Argentina, Colombia and Italy also take part in the meetings of their national conferences of secular institutes.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Relationships with other organisations (continued)

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.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

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

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.

Approved by the Trustees and signed on their behalf by:

Julia Arkell

Trustee

Approved by the Trustees on: 13th October 2022

Independent examiner's report to the Trustees of The Servite Secular Institute

I report to the charity Trustees on my examination of the financial statements of the charitable company for the year ended 31 March 2022

Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- ◆ accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- ◆ the financial statements do not accord with those records; or
- ◆ the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- ◆ the financial statements have not been prepared in accordance with the methods and principles of "Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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

15th November 2022

Statement of financial activities including an income and expenditure account Year to 31 March 2022

		Unrestricted funds £	Restricted funds £	2022 Total Funds £	Unrestricted funds £	Restricted funds £	2021 Total Funds £
Income from:							
Donations and legacies	1	583	—	583	300	—	300
Investments and interest receivable	2	907	—	907	1,072	—	1,072
Charitable activities	3	6,298	—	6,298	5,307	—	5,307
Total income		7,788	—	7,788	6,679	—	6,679
Expenditure on:							
Charitable activities							
. Support of the religious and other charitable work of members of the Institute	4	32,552	—	32,552	18,534	—	18,534
Total expenditure		32,552	—	32,552	18,534	—	18,534
Net expenditure before investment gains		(24,764)	—	(24,764)	(11,855)	—	(11,855)
Net gains on the revaluation of listed investments	10	544	—	544	5,316	—	5,316
Net expenditure and net movement in funds	6	(24,220)	—	(24,220)	(6,539)	—	(6,539)
Reconciliation of funds							
Balances brought forward at 1 April 2021		490,040	—	490,040	496,579	—	496,579
Balances carried forward at 31 March 2022		465,820	—	465,820	490,040	—	490,040

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

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	9		27		35
Investments	10		<u>415,142</u>		<u>434,593</u>
			415,169		434,628
Current assets					
Debtors	11	6,985		20,946	
Cash at bank and in hand		<u>48,226</u>		<u>39,666</u>	
		55,211		60,612	
Current liabilities					
Creditors: amounts falling due within one year	12	<u>(4,560)</u>		<u>(5,200)</u>	
Net current assets			<u>50,651</u>		<u>55,412</u>
Total net assets			<u>465,820</u>		<u>490,040</u>
The funds of the charity					
Unrestricted income funds					
. General funds			270,820		295,040
. Designated funds	13		<u>195,000</u>		<u>195,000</u>
			<u>465,820</u>		<u>490,040</u>

For the year ended 31 March 2022, the charitable company was entitled to exemption from an audit under section 477 of the Companies Act 2006.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with section 476 of the Act.

The Trustees (as Directors) acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the Trustees and signed on their behalf by:

Julia Arkell

Trustee

Approved on: 13th October 2022

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

Principal accounting policies 31 March 2022

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 2022 with comparative information provided in respect to the year to 31 March 2021.

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 at least 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.

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.

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 33⅓% 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.

1. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Donations	583	—	583	300	—	300

2. Income from investments and interest receivable

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
NS&I and other deposits	907	—	907	1,072	—	1,072

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Regular contributions from members	4,300	—	4,300	4,595	—	4,595
Retreats, assemblies and conferences	1,998	—	1,998	712	—	712
	6,298	—	6,298	5,307	—	5,307

4. Expenditure on charitable activities: Support of the religious and other charitable work of members of the Institute

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Travel costs	6,276	—	6,276	21	—	21
Retreats, meetings, conferences & visitations	14,906	—	14,906	2,000	—	2,000
Interpreters and translation	110	—	110	1,309	—	1,309
General administration	3,737	—	3,737	1,334	—	1,334
Governance costs (note 5)	3,249	—	3,249	7,218	—	7,218
Miscellaneous (archives)	4,274	—	4,274	6,652	—	6,652
	32,552	—	32,552	18,534	—	18,534

5. Governance costs

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Audit fees	—	—	—	5,628	—	5,628
Independent examination fee	2,760	—	2,760	—	—	—
Company secretarial services	489	—	489	1,590	—	1,590
	3,249	—	3,249	7,218	—	7,218

6. Net expenditure and net movement in funds

This is stated after charging:

	2022 Total funds £	2021 Total funds £
Independent examiner's remuneration		
. Independent Examination services – current year	2,760	—
. Company Secretarial services	489	—
Auditor's remuneration		
. Statutory audit services – prior year	—	5,130
. Non-audit services – Company Secretarial services	—	1,590
Depreciation	8	11

7. Staff costs and remuneration of key management personnel

The charity employed no staff during the year and hence incurred no staff costs (2021 – 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.

None of the Trustees received any remuneration from the charity during the year (2021 – 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 (2021 – £152) were reimbursed to one (2021 – one) 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 £377 (2021 – £375) and provided cover of £100,000 (2021 – £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 2021 and at 31 March 2022	600	194	794
Depreciation			
At 1 April 2021	584	175	759
Charge for the year	6	2	8
At 31 March 2022	590	177	767
Net book values			
At 31 March 2022	10	17	27
At 31 March 2021	16	19	35

10. Fixed asset investments

	2022 £	2021 £
Listed investments		
Market value at 1 April 2021	43,497	38,181
Net unrealised gains (losses)	544	5,316
Market value at 31 March 2022	44,041	43,497
National Savings and other short-term deposits	371,101	391,096
Total investments at 31 March 2022	415,142	434,593
Cost of listed investments at 31 March 2022	36,122	36,122

Listed investments held at 31 March 2022 comprised the following:

	2022 £	2021 £
Common investment funds – accumulation units	42,969	42,244
UK equities	1,072	1,253
	44,041	43,497

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

11. Debtors

	2022 £	2021 £
Income tax recoverable (including interest)	788	778
Prepayments and accrued income	6,017	19,988
Other debtors	180	180
	6,985	20,946

12. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	4,560	5,200

13. 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 2021 £	New designations £	Utilised/ released £	At 31 March 2022 £
Assemblies 2020 – 2022	70,000	—	—	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
	195,000	—	—	195,000

	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

◆ *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.

13. Designated funds (continued)

◆ *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.

14. Analysis of net assets between funds

	General funds £	Designated funds £	Total 2022 £	General funds £	Designated funds £	Total 2021 £
Fund balances at 31 March 2022						
Are represented by:						
Tangible fixed assets	27	—	27	35	—	35
Investments	220,142	195,000	415,142	244,593	195,000	439,593
Net current assets	50,651	—	50,651	50,412	—	50,412
	<u>270,820</u>	<u>195,000</u>	<u>465,820</u>	<u>295,040</u>	<u>195,000</u>	<u>490,040</u>
Unrealised gains included above:						
On listed investments	7,919	—	7,919	7,375	—	7,375
Reconciliation of movements in unrealised gains on investment assets						
Unrealised (losses) gains at 1 April 2021	7,375	—	7,375	(2,059)	—	(2,059)
Net unrealised gains (losses) arising in year	544	—	544	5,316	—	5,316
Unrealised gains at 31 March 2022	<u>7,919</u>	<u>—</u>	<u>7,919</u>	<u>7,375</u>	<u>—</u>	<u>7,375</u>

15. 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 £480 (2021 – approximately £2,040).

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