

ST MICHAEL'S ABBEY CHARITABLE TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

Charity Number 326241

tc accounts · tax · legal · financial planning

The Granary
Hones Yard
Waverley Lane
Farnham
Surrey
GU9 8BB

ST MICHAEL'S ABBEY CHARITABLE TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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ST MICHAEL'S ABBEY CHARITABLE TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name St Michael's Abbey Charitable Trust

Charity registration number 326241

St. Michael's Abbey
280 Farnborough Road
Farnborough
Hampshire
GU14 7NQ

The trustees

The trustees who served the charity during the period were as follows:

Rt Rev. D. C. Brogan OSB
Rev N. T. Harper OSB
Rev. A. A. Hood OSB

Bankers

The Royal Bank of Scotland plc
Lawrie House
Victoria Road
Farnborough
Hampshire
GU14 7NR

Solicitors

Thomas Eggar LLP
Newbury House
20 Kings Road West
Newbury
Berkshire
RG14 5XR

Independent examiner

Mr S. P. F. Howell FCCA
TC Group
The Granary
Hones Yard
Waverley Lane
Farnham
Surrey
GU9 8BB

ST MICHAEL'S ABBEY CHARITABLE TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

STATUTORY ADMINISTRATIVE DETAILS

The Trust was established by a Trust Deed dated 15 November 1982 with registered charity number 326241.

Details of Trustees are shown on page 1.

The Trusts principal activity is to fund the Charitable Works of the Community of Benedictine Monks now established at St Michaels Abbey, Farnborough.

The St Michaels Abbey Charitable Trust is connected with the Empress Eugenie Memorial Trust. Both charities share the same contact address as disclosed on page 1 of these accounts.

The Trust Deed requires three Trustees. The chair of Trustees is responsible for the induction of any new Trustee which involves awareness of a Trustees responsibilities, the governing document, administrative procedures and history of the charity. A new Trustee would receive a copy of the previous years annual report and accounts and a copy of the Charity Commission leaflet "The Essential Trustee: What you need to know".

The Trustees meet formally at least once a year, with additional meetings as need may arise, under the chairmanship of the Abbot of the resident religious community.

In addition to the formal meeting of the Trustees to examine the progress of the accounts, to approve them, and for decision-making, a high level of communication between Trustees is ensured by the fact that two of the three Trustees live at the Abbey and therefore maintain responsibility for the day-to-day running of affairs, as well as consultation with the non-resident Trustee.

The Trust is registered with H M Revenue & Customs as a Charity with tax exempt status.

PUBLIC BENEFIT

The trustees are mindful of the need for the charity to demonstrate that it provides public benefit and they have had regard to the general guidance on the provision of public benefit published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

To carry out religious and other charitable work for the purpose of advancement of the Roman Catholic religion. Assets are purchased as required to benefit the running of the charity in meeting its objectives. The charity has continued to meet its objectives during the year.

ACHIEVEMENTS AND PERFORMANCE

The Trustees keep always under review both past achievements of the Trust and their ability to adapt these in accord with the needs of the present time and reasonably anticipated future. All this is of course within the framework of the Trustees principal and primary role as the Custodial community for the Empress Eugenie Memorial Trusts.

ST MICHAEL'S ABBEY CHARITABLE TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

During the year under review the total value of the Charity's Funds increased from £134,064 to £582,167 (2020 - increased from £115,629 to £134,064). The breakdown of this change can be seen on the Statement of Financial Activities.

In the course of this year, major restorations of the abbey church and estate continued, with particular focus on public access, health and safety, and conservation of the considerable historic patrimony. During the year, the charity received further significant donations from St Mary's Priory Fernham Residual Fund. The works are expected to be completed during 2022.

The trustees consider the overall position of the Trust is satisfactory and foresee that funds will be available to meet obligations in the future.

INDEPENDENT EXAMINER

Simon Howell FCCA, of TC Group has been re-appointed as independent examiner for the ensuing year.

St Michael's Abbey
280 Farnborough Road
Farnborough
Hampshire
GU14 7NQ

Signed on behalf of the trustees on
.....*2302*..... 2022 by



Rt Rev. D. C. Brogan OSB
Chairman

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST
MICHAEL'S ABBEY CHARITABLE TRUST**

YEAR ENDED 31 DECEMBER 2021

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 5 - 14.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.



.....
Simon Howell FCCA, of TC Group
Independent examiner
The Granary
Hones Yard
Waverley Lane
Farnham
GU9 8BB

Dated: 31/10/2022

ST MICHAEL'S ABBEY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|------------------------------------|------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Donations and legacies | 2 | 54,701 | 917,942 | 972,643 | 232,028 |
| Charitable activities | 3 | 13,537 | - | 13,537 | 7,243 |
| Investments | 4 | 2 | - | 2 | 8 |
| TOTAL INCOME | | <u>68,240</u> | <u>917,942</u> | <u>986,182</u> | <u>239,279</u> |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 5 | (12,040) | (526,040) | (538,080) | (220,844) |
| TOTAL EXPENDITURE | | <u>(12,040)</u> | <u>(526,040)</u> | <u>(538,080)</u> | <u>(220,844)</u> |
| Transfers between funds | | (928) | 928 | - | |
| NET INCOME/(EXPENDITURE) | 7 | 55,272 | 392,830 | 448,102 | 18,435 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>18,152</u> | <u>115,912</u> | <u>134,064</u> | <u>115,629</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>73,424</u> | <u>508,742</u> | <u>582,166</u> | <u>134,064</u> |

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

All of the above amounts relate to continuing activities.

The notes on pages 8 to 14 form part of these financial statements

ST MICHAEL'S ABBEY CHARITABLE TRUST

BALANCE SHEET

31 DECEMBER 2021

| | Note | 2021 | 2020 |
|---|------|-----------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 10 | 122,746 | 103,810 |
| CURRENT ASSETS | | | |
| Debtors | 11 | 522,072 | 114,092 |
| Cash at bank and in hand | | 2,912 | 75,737 |
| | | <u>524,984</u> | <u>189,829</u> |
| CREDITORS: Amounts falling due within one year | 12 | <u>(65,564)</u> | <u>(159,575)</u> |
| NET CURRENT ASSETS | | 459,420 | 30,254 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>582,166</u> | <u>134,064</u> |
| NET ASSETS | | <u>582,166</u> | <u>134,064</u> |
| FUNDS | | | |
| Restricted Funds | 13 | 508,742 | 115,912 |
| Unrestricted Funds | 13 | 73,424 | 18,152 |
| TOTAL FUNDS | | <u>582,166</u> | <u>134,064</u> |

These financial statements were approved by the members of the committee and authorised for issue on the25.10..... 2022 and are signed on their behalf by:



Rt Rev. D. C. Brogan OSB
Chairman

The notes on pages 8 to 14 form part of these financial statements

ST MICHAEL'S ABBEY CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-----------------|-----------|
| Reconciliation of net (expenditure) to net cash flow from operating activities | | | |
| Net income (as per the statement of financial activities) | | 448,102 | 18,435 |
| Adjustments for: | | | |
| Depreciation charges | | 32,192 | 28,039 |
| Interest received | | (2) | (8) |
| (Increase)/decrease in debtors | | (407,980) | 6,826 |
| Increase/(decrease) in creditors | | (94,011) | 51,010 |
| Net cash inflow/(outflow) from operating activities | | (21,699) | 104,301 |
| CASH FLOW STATEMENT | | | |
| | | 2021 | 2020 |
| | | £ | £ |
| Cash flows from operating activities: | | | |
| Net cash provided by (used in) operating activities | | (21,699) | 104,301 |
| Cash flows from investing activities: | | | |
| Interest received | | 2 | 8 |
| Payments to acquire tangible fixed assets | | (51,128) | (29,116) |
| Net cash provided by (used in) investing activities | | (72,825) | 75,193 |
| Change in cash and cash equivalents in the reporting period | | 75,737 | 544 |
| Cash and cash equivalents at the beginning of the period | | (72,825) | 75,193 |
| Cash and cash equivalents at the end of the reporting period | | 2,912 | 75,737 |

The notes on pages 8 to 14 form part of these financial statements

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities: Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

St Michael's Abbey Charitable Trust meets the definition of a public benefit entity under FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity.

Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside for a specific purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Income

Donations and legacy income is recognised in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & fittings - 25% reducing balance

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

2. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|-----------|----------------------------|--------------------------|--------------------------|--------------------------|
| Donations | 51,672 | 917,942 | 969,614 | 231,466 |
| Gift aid | 3,029 | - | 3,029 | 562 |
| | <u>54,701</u> | <u>917,942</u> | <u>972,643</u> | <u>232,028</u> |

3. INCOMING FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|----------------|----------------------------|--------------------------|--------------------------|
| Tours | 763 | 763 | 895 |
| Mass Stipends | 10,155 | 10,155 | 4,685 |
| Other | 2,513 | 2,513 | 1,600 |
| Votive candles | 106 | 106 | 63 |
| | <u>13,537</u> | <u>13,537</u> | <u>7,243</u> |

4. INVESTMENT INCOME

| | Unrestricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--------------------------|----------------------------|--------------------------|--------------------------|
| Bank interest receivable | 2 | 2 | 8 |

5. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Activities undertaken directly £ | Management and administration £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|---|--|--------------------------|--------------------------|
| Charitable activities – insurance costs | 589 | - | 589 | 2,093 |
| Management and administration costs | 455,800 | 80,663 | 563,463 | 218,406 |
| Costs of generating funds | 1,028 | - | 1,028 | 345 |
| | <u>457,417</u> | <u>80,663</u> | <u>538,080</u> | <u>220,844</u> |

Expenditure on charitable activities was £538,080 (2020 - £220,844) of which £526,040 (2020 - £12,838) was attributable to restricted and £12,040 (2020 - £208,006) was attributable to unrestricted funds.

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

6. MANAGEMENT AND ADMINISTRATION COSTS

| | Activities undertaken directly | Management and administration | Total Funds 2021 | Total Funds 2020 |
|---|--------------------------------------|-------------------------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Purchases | 12,645 | - | 12,645 | 8,657 |
| Repairs and maintenance | 443,155 | - | 443,154 | 122,976 |
| Insurance | - | - | - | 45 |
| Travel expenses | - | 6,719 | 6,719 | 14,000 |
| Motor expenses | - | 6,814 | 6,814 | 3,832 |
| Monastic taxes and expenses | - | 2,380 | 2,380 | - |
| Sundry expenses | - | 30,017 | 30,017 | 20,957 |
| Accountancy and other professional fees | - | 1,876 | 1,876 | 11,907 |
| Studies for personnel | - | 170 | 170 | 7,180 |
| Bank charges | - | 495 | 495 | 813 |
| Depreciation | - | 32,192 | 32,192 | 28,039 |
| | <u>455,800</u> | <u>80,663</u> | <u>536,463</u> | <u>218,406</u> |

7. NET EXPENDITURE FOR THE YEAR

This is stated after charging:

| | 2021 | 2020 |
|------------------------|--------|--------|
| | £ | £ |
| Depreciation | 32,192 | 28,039 |
| Operating lease costs: | | |
| - Other | 589 | 2,093 |

8. TRUSTEE REMUNERATION

No trustees received remuneration of more than £60,000 during the year (2020 – nil).

No trustees have received any other benefits from the charity during the year (2020 – nil).

9. RELATED PARTY TRANSACTIONS

St Michael's Abbey Charitable Trust is associated with both Empress Eugenie Memorial Trust and Saint Michael's Abbey Press Limited. They share the same contact address as disclosed on page 1 of these accounts.

Included within debtors at 31st December 2021 is £43,224 (2020 - £10,342) due from Empress Eugenie Memorial Trust.

Included within creditors at 31st December 2021 is £35,498 (2020 - £85,811) due to Saint Michael's Abbey Press Limited.

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

9. RELATED PARTY TRANSACTIONS *(continued)*

Right Reverend David Cuthbert Brogan is a trustee of St Mary's Priory Fernham Residual Fund.

During the year, donations were received from St Mary's Priory Fernham Residual Fund totalling £917,942 (2020 - £128,750) for the ongoing works on the estate.

Included within other debtors at 31st December 2021 is £476,786 (2020 - £103,750) due from St Mary's Priory Fernham Residual Fund.

Included within other creditors at 31st December 2021 is £25,841 (2020 - £49,230) due to St Mary's Priory Fernham Residual Fund. This in relation to a separate bank account being administered on behalf of the Trustees of St Mary's Priory Fernham Residual Fund.

10. TANGIBLE FIXED ASSETS

| | Fixtures & fittings, etc £ |
|----------------------------|-------------------------------|
| COST | |
| At 1 January 2021 | 335,669 |
| Additions | <u>51,128</u> |
| At 31 December 2021 | <u>386,797</u> |
| DEPRECIATION | |
| At 1 January 2021 | 231,859 |
| Charge for the year | <u>32,192</u> |
| At 31 December 2021 | <u>264,051</u> |
| NET BOOK VALUE | |
| At 31 December 2021 | <u>122,746</u> |
| At 31 December 2020 | <u>103,810</u> |

11. DEBTORS

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Other debtors | 478,848 | 103,750 |
| Empress Eugenie Memorial Trust | <u>43,224</u> | <u>10,342</u> |
| | <u>522,072</u> | <u>114,092</u> |

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

12. CREDITORS: Amounts falling due within one year

| | 2021 | 2020 |
|-----------------|----------------------|----------------|
| | £ | £ |
| Trade creditors | 289 | 21,695 |
| Other creditors | 63,013 | 135,618 |
| Accruals | 2,262 | 2,262 |
| | <u>65,564</u> | <u>159,575</u> |

13. ANALYSIS OF CHARITABLE FUNDS

Analysis of movement in unrestricted funds

| | Balance at 1 Jan 21 | Incoming resources | Expenditure | Transfers between funds | Balance at 31 Dec 21 |
|------------------|------------------------|-----------------------|-----------------|-------------------------------|-------------------------|
| | £ | £ | £ | £ | £ |
| Designated funds | 50,000 | - | - | | 50,000 |
| General funds | (31,852) | 68,240 | (12,040) | (928) | 23,424 |
| | <u>18,148</u> | <u>68,240</u> | <u>(12,040)</u> | <u>(928)</u> | <u>73,424</u> |

The Designated Fund has been set aside by the Trustees as a Sickness Fund.

Analysis of movement in unrestricted funds – previous year

| | Balance at 1 Jan 20 | Incoming resources | Expenditure | Balance at 31 Dec 20 |
|------------------|------------------------|-----------------------|------------------|-------------------------|
| | £ | £ | £ | £ |
| Designated funds | 50,000 | - | - | 50,000 |
| General funds | 65,629 | 110,529 | (208,006) | (31,852) |
| | <u>115,629</u> | <u>110,529</u> | <u>(220,844)</u> | <u>18,148</u> |

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

13. ANALYSIS OF CHARITABLE FUNDS *(continued)*

Analysis of movement in restricted funds

| | Balance at 1 Jan 21 | Incoming resources | Expenditure | Transfers between funds | Balance at 31 Dec 21 |
|---|------------------------|-----------------------|------------------|-------------------------------|-------------------------|
| | £ | £ | £ | £ | £ |
| Restoration of the Cavallé-Coll organ | 90,912 | 6,250 | (98,090) | 928 | - |
| Printing of the Monastic Diurnal | 25,000 | - | (25,000) | - | - |
| Restoration of the bell turret | - | 30,000 | (24,765) | - | 5,235 |
| Conservation works on the Farnborough Abbey church interior and windows | - | 616,626 | (194,766) | - | 421,861 |
| Restoration of Farnborough Abbey | - | 120,000 | (118,616) | - | 1,384 |
| Emergency fund for the Abbot Visitor | - | 10,000 | - | - | 10,000 |
| Visitor's provincial work | - | 4,990 | (727) | - | 4,263 |
| Additional grounds work | - | 56,476 | (56,476) | - | - |
| High Mass vestments | - | 7,000 | - | - | 7,000 |
| Furnishings for the Grade One historic church | - | 39,000 | - | - | 39,000 |
| Monk studying for ordination fees | - | 7,600 | (7,600) | - | - |
| Living expenses for a monk on legitimate leave from his community | - | 20,000 | - | - | 20,000 |
| | <u>115,912</u> | <u>917,942</u> | <u>(526,040)</u> | <u>928</u> | <u>508,743</u> |

The Restricted funds are available for future expenditure in relation to specific activities and projects that the charity will undertake.

Analysis of movement in restricted funds – previous year

| | Balance at 1 Jan 20 | Incoming resources | Expenditure | Balance at 31 Dec 20 |
|---------------------------------------|------------------------|-----------------------|-----------------|-------------------------|
| | £ | £ | £ | £ |
| Restoration of the Cavallé-Coll organ | - | 103,750 | (12,838) | 90,912 |
| Printing of the Monastic Diurnal | - | 25,000 | - | 25,000 |
| | <u>-</u> | <u>128,750</u> | <u>(12,838)</u> | <u>115,912</u> |

ST MICHAEL'S ABBEY CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total £ |
|--------------------------|----------------------------|--------------------------|--------------------------|----------------|
| Tangible fixed assets | 41,423 | 50,000 | 31,123 | 122,746 |
| Current assets | 44,652 | - | 477,420 | 522,072 |
| Cash at bank and in hand | 2,912 | - | - | 2,912 |
| Current liabilities | (65,564) | - | - | (65,564) |
| Total Funds | 23,424 | 50,000 | 508,743 | 582,167 |

Analysis of net assets between funds – Previous year

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total £ |
|--------------------------|----------------------------|--------------------------|--------------------------|----------------|
| Tangible fixed assets | 53,810 | 50,000 | - | 103,810 |
| Current assets | (1,820) | - | 115,912 | 114,092 |
| Cash at bank and in hand | 75,737 | - | - | 75,737 |
| Current liabilities | (159,575) | - | - | (159,575) |
| Total Funds | (31,848) | 50,000 | 115,912 | 134,064 |