

The Society of Mary and Martha
FINANCIAL STATEMENTS AND ANNUAL REPORT
Year Ended 31 December 2021



The Society of Mary and Martha

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**The Society Of Mary and Martha
Report of the Trustees
Year Ended 31 December 2021**

Administrative Information

Reg charity no	327394
Trustees	Mrs Isabel Garty (Chair) Mr Roger Hands Rev Canon Dr Lynda Barley Mr Tony Day Mr Carl Lee Miss Hillary Hanson Mrs Jacky Henretty Rev Frank Wright (Vice Chair)
Warden	Dr Sarah Horsman
The Sheldon Community	Carl Lee Susan Lee Hillary Hanson Jan Kaye Esther Nyame
Address	Sheldon, Sheldon Lane, Doddiscombsleigh Exeter EX6 7YT
Bankers	Barclays Bank plc 20 High Street Exeter EX4 3LL Arbuthnot Latham 17 Southernhay West Exeter EX1 PJ Triodos Bank Deanery Road Bristol BS1 5AS CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Auditors	Bush & Co Ltd 2 Barnfield Crescent Exeter EX1 1QT

Key management personnel include all the trustees and the warden

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Report of the Trustees

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Introduction

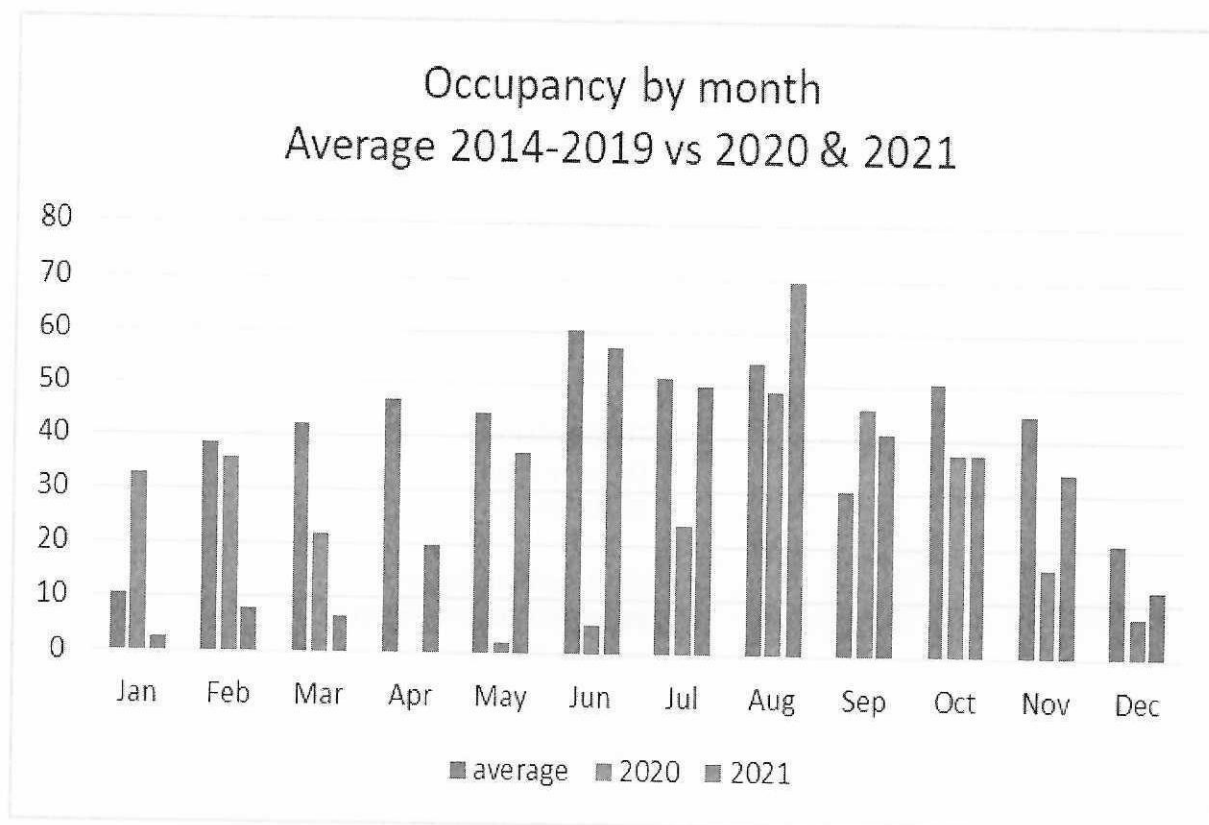
The Trustees submit their Annual Report and Financial Statements for the year ended 31 December 2021. The Trustees confirm that the Annual Report and the Financial Statements of the charity have been prepared so as to comply with the statutory requirements, governing document, and the Charities Statement of Recommended Practice (FRS 102).

The Charity

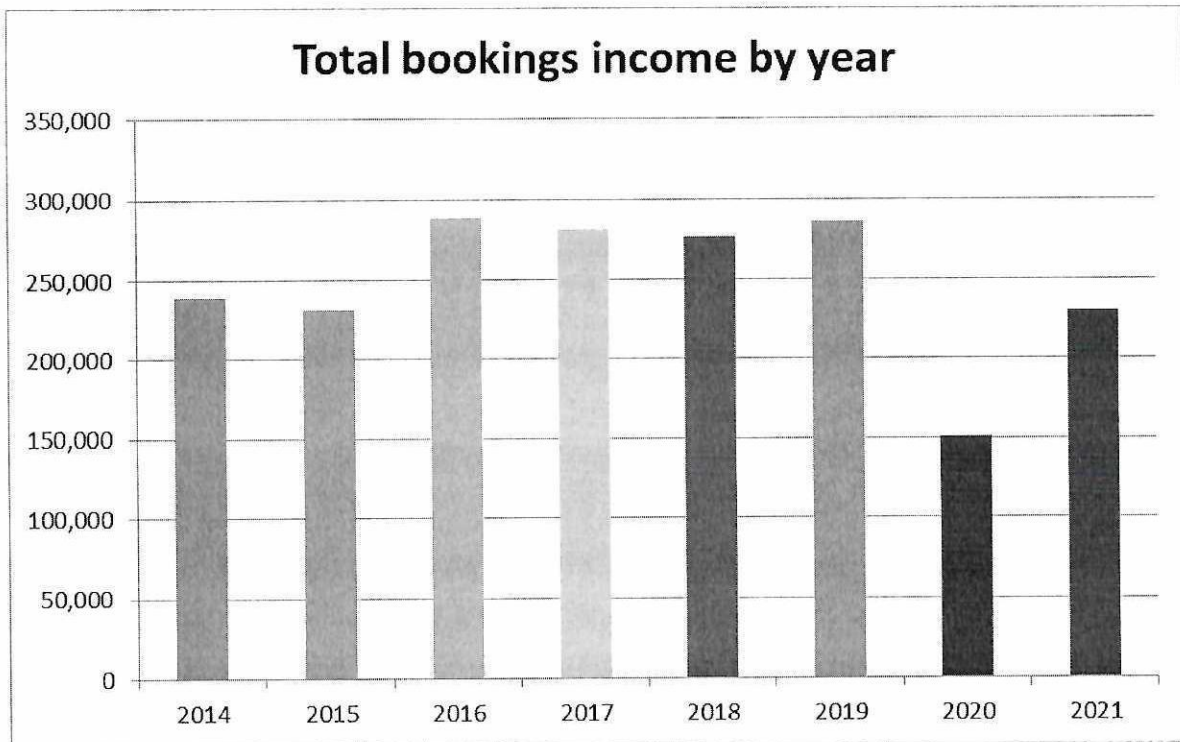
The Society of Mary and Martha is an independent ecumenical national charity caring for people in Christian ministry at times of stress, crisis, burnout or breakdown. These specialist resources are provided at the Sheldon retreat centre in Devon, and through an online peer support resource. Specialist resources for ministry are set in the context of broadly-based retreat and education resources open to everyone. Sheldon is a converted farm on the edge of Dartmoor that also serves as home to the resident Community whose members carry out this work.

Overview of 2021

During 2020 we made sound investments in our premises and processes. These stood us in good stead for running the retreat centre during the second year of the pandemic. Our priority was to serve as many guests as possible within strict safety protocols. Our focus was particularly on maintaining excellent air quality and providing kind and clear behavioural guidance. This enabled us to continue serving our guests exceptionally well through challenging and unpredictable times.



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During 2021 we offered private retreats and continued with a simplified programme of led retreats and R5 (read, rest, retreat, relax, recuperate) weeks. We re-started the volunteer workparties and clergy family holiday weeks, and the first group bookings also returned. A total of 3445 guest nights were provided for 872 guests (supported by 556 volunteer days.) We maintained guest income at 80% of pre-pandemic levels while simultaneously keeping staffing levels and non-urgent expenditure tightly controlled. This is reflected in a modest budget surplus but has come at the price of over-stretch for the team and the need to catch up on routine maintenance of premises and administration. We did succeed in putting the finishing touches to a tranche of IT development work on the online Hub which had been curtailed in early 2020. We published our research findings on the Clergy Discipline Measure and handed on the baton for reform to others once it was clear that we had successfully made the case for replacement.

We ended the year with bookings looking healthy and preparations well under way to recruit new community and staff members. However, it is likely to be a challenging year on the financial front and we have budgeted for a deficit of £90,000 which will need to come out of reserves. Although we believe the charity is very well placed for operational effectiveness going forward we still face major ongoing unpredictability from the pandemic and the cost impacts of wider geo-political crises.

Objectives and Activities for the Public Benefit

The charity's core objective is to deliver resources to people in ministry at a consistently high standard and in a manner that is sustainable for the longer term. Achieving this involves

- recruiting, training and retaining committed members of the Sheldon Community, staff and volunteers
- a focus on the sustainable development and maintenance of the Sheldon buildings and grounds
- development and maintenance of the online community of practice hosted in the Sheldon Hub.

The Trustees are mindful of the need to keep pace with external changes, including changes in the nature of ministry within the church; rising expectations regarding the quality of retreat accommodation; food safety including allergies; advances in spiritual and psychological care; advances in information technology capacities and risks; and legislative changes relating to

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governance, accountability and risk assessment. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, and in planning future activities and developments.

It is important to view the activities of the charity in a holistic manner. It is structured so as to integrate the values and benefits of community, continuity, participation and balance. Development of a sustainable way of life, openhearted hospitality, stewardship of the natural environment, mutual support online, and engagement with the local community are harnessed for beneficiaries who need normality, balance and perspective in the face of stressful or traumatic experiences. Today's world is in great need of such rooted expressions of faith, love and commitment.

What the Sheldon Community does

The most important part of the Community's work is the support of people in ministry going through difficult times. Ministry care is not a single isolated component of the work, but a tight focusing of the broad spectrum of Sheldon's multi-layered offering. On the surface this approach can appear deceptively low-key and homely but this belies a honed professionalism with deep experience and rigorous attention to detail.

Important ingredients that go to make up the whole Sheldon experience include

- **The life of the resident Community.** Members work through in their own daily lives similar challenges to some of those in ministry whom they seek to serve with a simple Rule of stability, stewardship and servanthood. They hold in confidence the stories of many guests, alongside supportive relationships with the Friends and volunteers who support the charity.
- **The fabric of Sheldon.** The buildings harmoniously blend historic and modern craftsmanship with indoor and outdoor spaces conducive to rest and reflection including labyrinth, art shed and chapels. Sheldon has 26 bedrooms of which 11 are in self-contained units of accommodation and the remainder in two larger buildings with communal facilities. 45 acres of land nourish the soul, exercise the body, and calm the mind. The attention of detail in caring for buildings and environment is experienced directly as care for those who enjoy them.
- **Food and drink** are provided as healthy nourishment, as treat, as an expression of love, and as context for social sharing and hospitality.
- **Attentive administration** prioritises the provision of clear and accurate information at every point of contact. Up to date and attractive website, printed material, and social media posts. Clarity on expectations and boundaries, and accurate flow of information between guests and hosts (housekeeper, cellarer, therapist, receptionist).
- **1:1 resources** including therapies, retreat accompaniment, massage, relaxation. Opportunities to reduce physiological arousal, make sense of the stressful or traumatic experiences, facilitate the healing of the body, mind and spirit, recover vocation, etc.
- **Online resources in the Hub** – mutual support, sharing of wisdom, gathering and signposting of resources – because ministry can be a lonely path.

Any one guest will benefit from their own unique combination of some or all of the above. The way Sheldon is routinely run delivers much to many without an explicit deconstruction of which components are needed in any one case. The food is cooked, the grass is cut, the boiler is serviced, the beds are made, the telephone is answered, the prayers are said. Feedback is routinely solicited from all guests and can be striking in revealing the depth and impact of their experience.

Operational sustainability and development

The charity has shown itself to be agile and resilient through the first two years of the pandemic. We have implemented as many ways as possible to continue exercising our core purposes and are doing

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our best to maintain financial stability. We were able to break even this year and last, but there will be a budget deficit in 2022 as bookings continue to be impacted, costs rise significantly and we come to the end of government business support.

The Trustees continue to pay attention to building organisational resilience and to monitor how the charity's activities are developing to meet the evolving needs of people in ministry. This includes investing in the skills and welfare of the resident Community; building relationships with key trades and suppliers; hardware and software IT resilience; features, content and user experience of the Hub; repairs and upgrades to the Sheldon site; and prudent financial planning for the whole operation.

2021 activities and projects

Our 2020 report set out our intentions for 2021 as follows:

- *Continue our primary focus of supporting people in ministry at times of stress, crisis, burnout or breakdown. The balance between in person at Sheldon, online through the Hub, and remotely by phone/video link will vary according to circumstances [of the pandemic].*
- *Set up sheltered outdoor serving facilities. This will extend Sheldon's numerical capacity for as long as high ventilation and social distancing are required and will provide other opportunities to develop capacity beyond that.*
- *Continue to analyse and publish research based on the survey data into the lived experience of the Clergy Discipline Measure. To use this and the charity's networks of influence to work for a humane replacement of the legislation.*
- *Continue to develop the membership, content and income streams for the Hub.*
- *Maintain relationships with the charity's core support base of Friends*
- *Maintain the quality of the physical premises (buildings and grounds) consistent with cost saving efforts while bookings income is reduced*
- *Develop new publicity material and promote Sheldon for group bookings as we seek to re-establish this aspect of our ministry and its associated income*
- *Apply for planning consent for conversion of the Animal Barn and continue raising funds for this project when conditions are right.*
- *Continue to benchmark and develop our governance, cybersecurity, and other areas of good practice and compliance.*
- *Take steps to recruit one or more members of the Community (and/or staff team) and provide a sabbatical for one member.*

Facilities for cooking and serving food

We were able to run a summer season near or above pre-pandemic levels. We achieved this by serving meals in a marquee adjacent to the normal dining room. The estate team carried out careful landscaping around the Pound House and temporary services were installed to ensure we could serve food in a way that was hygienic and weather-resilient. We also made the most of lockdown to refurbish half of the Pound House kitchen to improve the workflow of washing up including replacing the commercial dishwasher to reduce the amount of heavy lifting in the kitchen. These health & safety improvements have been welcomed by all the Cellarer team and hospitality volunteers. We also made minor alterations to move the serving of breakfasts from the Pound House to the Long Barn dining room which has been working well.

Clergy Discipline Measure reform

We started raising awareness and campaigning for reform in 2017. Aspects of the project reported in previous years included commissioning Aston University to conduct independent academic research. Preliminary findings from the very large nationwide survey of clergy were published in 2020 but the contract with Aston had to be terminated because of the staffing issues arising from the pandemic (hence the credit of £15,490 in 2020 for monies previously committed but remaining unspent. No

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further monies were expended in 2021). Dr Maureen Wright and Rev Canon Dr Lynda Barley generously gave their time free of charge to analyse a section of the data and publish on the Hub “**I was handed over to the Dogs: lived experience, clerical trauma and the handling of complaints against clergy in the Church of England**”. A shorter version was published in “Theology” under the title “**In the shadow of the Clergy Discipline Measure (CDM): Clergy experiences of ‘informal’ and safeguarding complaints**”. Although there was plenty more that could have been done, we withdrew from the project in May 2021 as ‘real world’ Sheldon needed our time, energy and focus. By that time the Ecclesiastical Law Society had published their proposals for replacement of the CDM. Along with CECA (Church of England Clergy Advocates – part of the Faithworkers’ branch of Unite) we publicly backed the ELS proposals. The ELS proposals addressed the problems highlighted by our research significantly better than the official proposals by the Lambeth working group. An overwhelming majority at General Synod proceeded to back the key elements of the ELS proposals and the work of the Implementation Group was under way by the end of the year. Although not all the concerns we raised will be addressed in the new legislation, we can be proud that Sheldon has made a significant contribution in this area. Not content with only picking up the pieces for the individual clergy affected, we brought people together in safe online space, conducted high quality research, collaborated with other organisations and mounted a highly effective campaign for legislative change. Now we continue with the ongoing work of supporting affected individuals which remains essential.

The Sheldon Hub

The Sheldon Hub (www.sheldonthub.org) has continued to serve as a safe, anonymous online space for mutual peer support for people in ministry. The forums continue to perform their function very well with just light touch moderation. Conversations range from supporting members in acute distress to crowd-sourcing ideas for solving simpler day to day practical questions. Conversations in The Surgery lay bare the scale of the stresses faced by people in ministry through the second year of the pandemic. In 2019 we carried out some development work on the Hub’s technical infrastructure which we intended to complete during 2020. However, with our own capacity reduced because of the pandemic we deferred it to 2021 and finally completed it early in 2022. The purpose of the work is to improve the capacity of the Hub to act as a bank of useful resources – everything from books to therapists to networks, websites or professional advisers. We have made it easier to add resources, easier to search them and easier to collate them organically around the conversations of the Hub members. We have also recruited a small team of volunteer ‘Hub Helpers’ and created the basic tools they need to help with adding and moderating content. A number of collaborative projects are arising from Hub conversations and people with similar issues having somewhere safe to meet. Membership is currently just under 2,300 with nearly 1,000 logins per week.

Personnel

We noted in our 2020 report that we were “*currently content to be making the most of the circumstances by running a somewhat smaller operation with a smaller team (with the associated cost savings)*”. With lockdown in force again for the first quarter of the year we were not able to re-open for private retreats until after Easter and re-start programme events in mid-May. We continued to make use of the furlough scheme until the end of July, saving £17,518 on wages but transferring workload from salaried staff to community members in the process. Total wage costs were reduced by nearly 20% on the year (note 7), but in the event guest income was up by 22% (note 3). Another impact of the pandemic has been difficulty sourcing care for frail elderly relatives which has meant community members taking on more family care responsibilities. Hospitality volunteers have also been impacted and the unpredictability of their lives impacts availability. We are therefore reflecting on a year when the community in particular worked extremely hard to provide good retreat space under unusually challenging circumstances. It is not sustainable to continue at this level of stretch and we are lined up to be recruiting to both community and staff teams during 2022. Anticipating the cost of living needs in relation to reward, retention and

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recruitment we brought forward our normal January pay award to October with a cost of living increase for all salaried staff. We were pleased to be able to offer Jan the Housekeeper a short sabbatical postponed from 2021. It was a pleasure to welcome Esther to community membership after completing her probationary year.

Animal Barn

The planning application was submitted in April and validated by June. However the Teignbridge Planning Authority has experienced long delays and at the time of writing they have not made a decision. In 2018 we ascertained through pre-application planning advice that Teignbridge District Council did not have any in principle objections to the conversion of the Animal Barn to create additional units of residential accommodation along with communal facilities. In 2019 a competitive tender based on a bill of quantities resulted in the choice of R J Salter & Sons as preferred partner for second stages of design work and eventual construction (£490,000 over 35 weeks). The project remains an important part of Sheldon's future planning but we cannot progress further until planning consent is granted.

Other works and activities during 2021

Sheldon is custodian of a 45 acre site including fields and woodlands which we manage for the benefit of both guests and wildlife. With a smaller team and the need to make use of furlough the main focus was on routine maintenance of grounds including felling to maintain safety of trees facing Ash dieback and after storm damage, plus care of hedgerows. Maintenance and landscaping improvements were carried out to guest facilities such as the Labyrinth, Hermitage and Round House. Further drainage work was carried out to maintain pathways and reduce flood risk, and the last of the old footbridges over the stream to Yonder Wood was replaced with a culvert for safety reasons.

Maintaining the fabric and quality of Sheldon's buildings and indoor facilities is an ongoing part of our care for guests. In September we upgraded the hot water in the Pound House from gravity fed to a pressurised system which has improved the quality of the showers in guest rooms. Some complex problems arose with underfloor heating in the Pound House Dining Room which took several months to resolve during the winter 2021/22. Volunteers on the summer workparty stripped and repainted the upstairs chapel. This was followed by installation of additional lighting and a new carpet. Preparations were made for replacing the roof of one of the Linhay Lodges early in 2022.

During the year we were pleased to begin welcoming back the first post-lockdown group bookings as confidence began to return. These were almost all pre-pandemic groups returning, but there are new enquiries in the pipeline for 2022 even though we have not yet progressed fresh publicity. Historically Sheldon has welcomed many large school and youth groups, but the pandemic has accelerated the trend towards smaller groups comprising mostly adults. This will feed into our decisions about furnishing and refurbishing the premises going forward.

Guests are routinely asked for feedback on their stay and these are always reviewed for ideas for improvements needed whether it's the strength of the coffee, finding information on the website, the quality of a mattress or a nice place to site a bench. On the rare occasion that something goes wrong with a booking the community holds a 'reflect and learn' exercise as part of our ongoing commitment to consistent quality, standards and safety. Feedback is [published on our website](#).

Plans for 2022

- Continue our primary focus of supporting people in ministry at times of stress, crisis, burnout or breakdown.
- Recruit and train new members of the Community and staff team in line with returning bookings and in preparation for one retirement planned for 2023.
- Continue to develop the membership, content and income streams for the Hub.

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- Maintain and improve the quality of the physical premises (buildings and grounds)
- Develop new publicity material and promote Sheldon for group bookings
- Progress the project to convert the Animal Barn once a decision has been received on our planning application
- Progress infrastructure replacement in preparation for the switch off of copper telephone lines – to include VoIP telephony and fibre broadband

Risk Assessments

The Trustees have identified the risks to which the charity is exposed, and have established systems to mitigate those risks. The Trustees affirm their ongoing commitment to implementation of all policies.

Fire Safety – a risk assessment has been carried out of the entire premises, supported by staff training and routine checks.

Portable Appliance Testing (PAT) is undertaken biannually for all electrical appliances, plus a rolling programme of five yearly electrical installation certification.

Health and Safety at Work – a risk assessment has been undertaken for all public areas, staff practices and public events, plus product assessment for COSHH.

Employment Legislation – all salaried staff have job descriptions plus induction, disciplinary and grievance procedures in place and receive the statutory paid holiday allowance.

Pensions – contributions for all staff, in line with auto-enrolment rules, are paid into the NEST scheme.

Safeguarding – the Trustees take the safety of children and vulnerable/at risk adults seriously and are committed to safe recruitment procedures and staff training to maintain a high level of vigilance. The Trustees appointed Lynda Barley as Lead Trustee for Safeguarding and a review of all policies and procedures is under way.

Confidentiality and Whistleblowing policies are also in place.

GDPR and Cybersecurity – the Trustees appointed and took the advice of an independent assessor in 2017, with further independent assessment in 2020. Changes continue in order to keep pace with the greatest perceived threats.

Governance and Management

The charity's governing instrument is the Deed of Trust dated 10th February 1987. The charity's Trustees are elected by majority vote of existing Trustees. Trustees serve for terms of 2, 3 or 5 years and are eligible to stand for re-election when their term expires. The Chair is elected by the Trustees. The Warden is entitled to nominate candidates for consideration by the Trustees. Trustees are given an induction to the running of the charity by the Warden, and trained in the responsibilities of trusteeship by the Chair. The Trustees currently have a minimum of two meetings per year. Where possible these include an overnight visit to give time for in depth discussions. They make their decisions by majority vote. Additional meetings are convened as needed in person or online, with a minimum of four trustees to provide a quorum. The Warden is responsible for all day to day management of the charity and leadership of the Sheldon Community. In order to balance the representation the board includes representatives of beneficiaries and the Community. In consideration of relative numbers it was decided in 2014 that non-Community board members should remain in the majority. The Charity Commission have provided helpful advice on this process.

Sheldon Ltd is a subsidiary trading company, wholly owned by the charity, and profits are gift aided to the charity.

The Sheldon Community has its own Rule of Life and domestic decision making which is independent of the Trustees.

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Financial Review

Fund Balances and Net Assets

The objects of the charity are delivered through the tangible fixed assets of the Sheldon property with its buildings, land and equipment, plus the intangible fixed asset of the Sheldon Hub. The statement of financial activities shows almost £5m in Reserves, but 80% are in the form of these fixed assets. An appropriate balance for cash flow purposes is held in current accounts, and other current assets are held in one year bonds and deposit accounts with COIF, Arbuthnot Latham and Triodos Bank.

Endowment Fund

The Trustees have established an Endowment Fund to support the ongoing expenses of the day to day ministry and provide greater financial security for the future. Using funds received from unrestricted legacies £100,000 was invested in 2015 and a further £100,000 was added in 2016. Having decided on a cautious and ethical investment policy taking a medium to long term view, the Trustees chose the CCLA COIF Charities Ethical Investment Fund, a diversified long-term fund designed for charities with strong ethical investment requirements. This is felt to be a prudent response to the growing responsibilities of the charity which now carries a retreat centre with a property value of £3.7m, a community of 6 members for whom Sheldon is their only or main home, a staff team, and an online space serving several thousand people in ministry. It is essential that relatively modest interruptions to cash flow from donations, bookings or external shocks should not have the capacity to jeopardise the stability and survival of the charity.

Borrowing

The charity benefits from £25,000 in interest free loans from supporters (notes 13 and 14). No new loans were received in the year.

Reserves

The charity's Reserves policy was adopted in 1998 and reviewed in 2018. The charity holds both Restricted and Unrestricted Reserves. The Unrestricted Reserve is predominantly represented by the land, buildings and equipment at Sheldon, plus the Sheldon Hub.

The trustees aim to maintain free reserves of £984,851 in order to ensure stability and continuity for beneficiaries, capable of covering the following needs:

£180,000	Working capital. Expenditure for running the charity is projected to be about £45,000 per month for the coming year so our working capital reserve would cover approximately four months of expenditure.
£60,000	Contingency Reserve. To enable a swift response in the face of substantial unexpected repairs such as a septic tank failure, and to save towards large but infrequent infrastructure needs such as rethatching of roofs. In 2021 this was £8,400 for the urgent repairs to the Pound House Dining Room central heating. Approximately £20,000 is likely in 2022 for re-ridging Courtyard and Chapel thatched roofs. £60,000 - £100,000 will be needed when the main roofs come up for rethatching in 5 years' time or so.
£85,000	Equipment and Vehicles Reserve. This is spread across Administration, Catering, Housekeeping, Estate and Garden and provides for routine upgrades for everything

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	needed to run Sheldon for the benefit of guests such as cars, mowers, computer servers, cookers, greenhouses, etc.
£330,029	Staff Benevolent Reserve. £30,000 was added to the Staff Benevolent Reserve as budgeted under the Later Years Provision policy. Under the terms of the policy, £7,868 was spent on care needs and £10,838 on contributions to Community Pensions.
£329,822	Endowment Fund. Established with the help of an unrestricted legacy to help with long term stability for the charity. Investments have increased the value of this Reserve by £39,255 during 2021, but its value can decrease as well as increase.

The total funds held by the charity at the end of the reporting period is £4,948,640. Of this £3,784,359 is held in tangible and intangible fixed assets.

The following commitments and provisions required expenditure to be designated for the year ahead.

£152,129	Animal Barn conversion. £70,000 was allocated by the Trustees in 2018 towards the conversion of the Animal Barn to residential and other guest facilities, and a further £40,000 in 2020 and £50,000 in 2021. £8,871 has been spent so far on survey, design, costing and planning application.
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All restricted deficits have been covered in the year with transfers from the general (ministry) fund. There are restricted funds of £3,577 bringing the free reserves to £1,018,575. Reserves held are therefore £33,724 in excess of the policy.

Ministry (General) Fund Income

The charity's primary source of income is contributions made by guests staying at Sheldon. One of the charity's operational strengths is the diversity of booking types means we are not dependent on any single income stream. This has proved invaluable over the past 2 years and will help us navigate the challenges ahead. Contributions from guests were up by 22% on 2021 and, impressively given pandemic conditions, only 10% lower than 2019.

Guest contributions are supplemented by donations from individual supporters, churches and Trusts. Gifts totalling nearly £72,000 were received in the form of standing orders, and others as one off donations. Legacy income fluctuates considerably from year to year and in 2021 there was one legacy of £7,438.

The Clergy Support Trust generously donated £50,000 in restricted funding towards the unrecovered costs of our work with Anglican clergy and their families facing physical and/or mental illness.

We are enormously grateful to all donors for their help in sustaining Sheldon's ministry through a second challenging year.

Ministry (General) Fund Expenditure

£471,976 was spent on Charitable Activities during 2021. This was an increase of 10% on 2020. However, as previously noted, within this there was the significant reduction of 19% in personnel costs which will need to revert to normal levels in 2022. Note 6 provides a breakdown of expenditure and shows the way in which some costs are apportioned to the raising of funds etc. (In a small organisation where people carry out multiple and overlapping roles these costs do not fall to "departments".)

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Tangible fixed assets such as vehicles and equipment are depreciated (see note 10a) according to the accounting policies set out in note 1e. Until 2020 the policy was to capitalise items over £1,000. In 2021 that policy has been amended to consider capitalising items between £10,000 and £24,000. All items below £10,000 are now routinely expended in the year and only items over £24,000 will be routinely capitalised. This will reduce disproportionate management and audit effort on maintaining a detailed asset register and improve accounting clarity. No items were capitalised in 2021. Depreciation will continue to appear in the accounts (note 6) while the existing assets are depreciated in line with the previous policy.

We invested in facilities for guests during the year, both to function well under pandemic conditions, and undertaking improvements which are difficult to achieve during full occupancy. These included all the provision to serve food in the marquee (approx £20,000 across 2 years), upgrading the Pound House kitchen (£8,400), upgrading the hot water supply in the Pound House (£7,143) and refurbishing the upstairs chapel (£6,223). Our main computer server underwent routine replacement (£10,767).

The charity has always had a relatively flat pay structure for both staff and community. Key management personnel who are members of the community are remunerated at the same level as other community members. The Warden has a responsibility allowance.

Finances of the Sheldon Hub – doing healthy ministry together

Development and support costs of the Hub are included on either a direct or apportioned basis. The direct costs of £48,210 primarily comprise the salary of the Managing Curator/Editor, the webhosting of the site, IT developments and publicity. The apportioned costs of £20,000 go towards office overheads and time spent by Community members.

As the Hub is an integral part of the whole Sheldon ministry it is included under All Unrestricted Funds Charitable Activities on the SOFA. However, reasonable efforts are made to separate the expenditure (see note 6) for proper accountability to those who are funding the project. The Mercers' Company and the Drapers' Company have both made generous grants to support the running of the Hub. In 2021 we received the first tranche of £30,000 from the former and the second tranche of £15,000 from the latter. Hub members donated over £10,000 (including gift aid reclaimed) so the total income of £56,371 covered the direct running costs in the year and made a contribution towards the £20,000 apportionment.

'Amortisation' is the method of accounting for the intangible fixed asset of the Sheldon Hub (note 10b), equivalent to depreciation for tangible fixed assets. The costs incurred before the Hub went live plus major improvements since have been counted as capital and amortised over 5 years.

Trustees' Responsibilities in Relation to the Financial Statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements or recommended practice have been followed, subject to any 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.

Independent Auditors' Report to the Trustees of The Society of Mary and Martha Year Ended 31 December 2021

Opinion

We have audited the financial statements of The Society of Mary and Martha (the "Charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditors' Report to the Trustees of The Society of Mary and Martha Year Ended 31 December 2021

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

Bush & Co Limited
Chartered Accountants
Statutory Auditors

Date: 14 June 2022

2 Barnfield Crescent
Exeter
EX1 1QT

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

**The Society of Mary and Martha
Statement of Financial Activities
Year Ended 31 December 2021**



	Notes	All Unrestricted Funds £	All Restricted Funds £	Total 2021 £	All Unrestricted Funds £	All Restricted Funds £	Total 2020 £
INCOMING RESOURCES							
Donations and legacies	2	149,092	109,853	258,945	159,265	104,075	263,340
Trading activities							
Trading income		13,772	-	13,772	11,296	-	11,296
Fundraising events		430	-	430	5,563	-	5,563
Investments							
Bank interest		10,645	-	10,645	14,125	-	14,125
Donation from Sheldon Ltd		4,630	-	4,630	-	-	-
Rent		5,000	-	5,000	11,300	-	11,300
Charitable Activities							
Contributions from guests	3	206,614	-	206,614	162,039	-	162,039
Other Income							
	4	8,091	-	8,091	23,122	-	23,122
Covid grants and furlough							
	5	44,247	-	44,247	60,999	-	60,999
TOTAL INCOME		442,521	109,853	552,374	447,709	104,075	551,784
RESOURCES EXPENDED							
Raising funds							
Costs of generating voluntary income		36,384	-	36,384	36,212	-	36,212
Fundraising events & trading: costs of goods and other costs		15,731	-	15,731	16,574	-	16,574
Premises Costs							
		39,352	-	39,352	34,195	-	34,195
Charitable Activities							
		350,256	121,720	471,976	333,768	95,183	428,951
TOTAL EXPENDITURE	6	441,723	121,720	563,443	420,749	95,183	515,932
Net Income before Investment (Losses)/Gains		798	(11,867)	(11,069)	26,960	8,892	35,852
Net Gains/(Losses) on Investments		59,628	-	59,628	28,095	-	28,095
NET INCOME		60,426	(11,867)	48,559	55,055	8,892	63,947
Transfers between funds	15	(11,839)	11,839	-	(39,913)	39,913	-
Net movement in funds		48,587	(28)	48,559	15,142	48,805	63,947
Reserves brought forward		4,906,476	3,605	4,910,081	4,891,334	(45,200)	4,846,134
Reserves carried forward	18	4,955,063	3,577	4,958,640	4,906,476	3,605	4,910,081

There were no acquisitions or discontinued operations in the current or preceding year.

The notes on pages 19 to 31 form part of these financial statements.

**The Society of Mary and Martha
Balance Sheet
As at 31 December 2021**

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible fixed assets	10		3,766,297		3,786,994
Intangible fixed assets	10		18,062		57,522
Investments	11		471,503		411,875
			4,255,862		4,256,391
CURRENT ASSETS					
Stock for resale		5,502		7,788	
Debtors and prepayments	12	51,102		53,522	
Current asset investments		530,625		477,006	
Cash at bank and in hand		223,248		210,977	
			810,477	749,293	
CURRENT LIABILITIES: Amounts falling due within one year					
Creditors and Accruals	13	102,699		75,603	
NET CURRENT ASSETS			707,778		673,690
TOTAL ASSETS LESS CURRENT LIABILITIES			4,963,640		4,930,081
LIABILITIES: Amounts falling due after more than one year					
Long term loans	14		5,000		20,000
NET ASSETS			4,958,640		4,910,081
THE FUNDS OF THE CHARITY					
Unrestricted Reserves					
Endowment Fund	17		329,822		290,567
General	11		4,625,241		4,615,909
			4,995,063		4,906,476
Restricted Reserves	15,18		3,577		3,605
			4,958,640		4,910,081

Mrs Isabel Garty )
) Trustees
 Rev Canon Dr Lynda Barley )

The financial statements were approved by the Trustees on Tuesday 14th June 2022

The notes on pages 19 to 31 form part of these financial statements

**The Society of Mary and Martha
Statement of Cash Flows
Year Ended 31 December 2021**

	Notes	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	1	45,615	28,960
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends , interest and rents		20,275	25,425
Purchase of fixed assets		-	(31,585)
Net movement on current asset investments		(53,619)	(46,622)
Net cash provided by (used) in investing activities		<u>(33,344)</u>	<u>(52,782)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowing		-	(9,500)
Net cash provided by (used in) financing activities		<u>-</u>	<u>(9,500)</u>
Change in cash and cash equivalents in the reporting period		12,271	(33,322)
Cash and cash equivalents at the beginning of the reporting period		<u>210,977</u>	<u>244,299</u>
Total cash and cash equivalents at the year end	2	<u><u>223,248</u></u>	<u><u>210,977</u></u>

The Society of Mary and Martha
Notes to the Statement of Cash Flows
Year Ended 31 December 2021

	2021	2020
	£	£
1 RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the reporting period (as per the Statement of Financial Activities)	48,559	63,947
Adjustments for:		
Depreciation and amortisation	60,157	68,864
Dividends, interest and rents	(20,275)	(25,425)
Gain on investments	(59,628)	(28,095)
Loss on sale of fixed assets	-	-
(Increase)/decrease in stock	2,286	1,591
(Increase)/decrease in debtors	2,420	(13,848)
(Increase)/decrease in creditors	12,096	(38,074)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	45,615	28,960
	<hr/>	<hr/>
2. ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash in hand	301	1,030
Notice deposits (less than 3 months)	222,947	209,947
	<hr/>	<hr/>
	223,248	210,977
	<hr/>	<hr/>

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Society's financial statements.

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention except for investments which are held at market value and in accordance with applicable accounting standards and Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS102) effective from 1 January 2016.

The Society of Mary and Martha meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical costs or transaction value unless otherwise stated in the relevant accounting policy notes.

There are no material uncertainties regarding the charity's ability to continue as a going concern.

b) Incoming Resources

Voluntary income, trading income and fundraising events are accounted for on receipt. Legacies and grants are recognised as income when there is entitlement, it is probable that the income will be received and it can be reliably measured. Where conditions are attached to a grant, income is only deferred where these conditions are outside of the charity's control or there is uncertainty as to whether the conditions will be met.

Contributions from guests are recognised when the service is delivered. Contributions received in advance are deferred to a later period and are reported as deposits in creditors.

Investment income is accounted for on a receivable basis.

c) Tax Refunds

Tax refunds arise out of the receipt of donations by way of Gift Aid and credit is taken in the accounts in the relevant fund at the time of receipt of the underlying donations.

d) Resources Expended

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

Cost of generating funds comprises the costs associated with attracting voluntary income. Charitable activities expenditure comprises direct expenditure including direct staff costs attributable to the charity's activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources as detailed in Note 6. The total expenditure on charitable activities includes support and governance costs as detailed in Note 6. The support and governance expenditure relates to necessary overheads that are not directly related to work with the beneficiaries of the charity.

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

e) Depreciation and Fixed Assets

Fixed assets are capitalised at cost and depreciation is calculated so as to write off the cost over their effective useful lives:

Fixtures, Fittings & Equipment	20% Straight line
Tractors & Vehicles	25% Reducing balance
Computers	33 $\frac{1}{3}$ % Straight line

Individual items of equipment with a cost of less than £10,000 are not capitalised but are written off in the year of expenditure unless they are part of a larger project.

No depreciation is provided on the freehold property. It is the Society's policy to regularly incur expenditure on the maintenance and improvement of the property. The Trustees consider that the lives of these assets are so long and their residual value is so high that their depreciation is insignificant.

Major improvements and additions to land and buildings are included in Fixed Assets at cost. The Trustees form an opinion as to whether they result in an addition to the value of the property of an amount less than cost. Where improvements do not increase its value in use, they are charged to the Statement of Financial Activities as an impairment expense.

f) Intangible Fixed Assets

Intangible fixed assets are recognised at cost less accumulated amortisation and impairment loss. They are written off over 5 years from the date that they are brought into use.

g) Investments

Investments are stated at their mid market price ruling at the balance sheet date which gives rise to unrealised gains and losses which are included in the statement of financial activities. Realised gains and losses arising on disposal of investments are separately identified in the statement of financial activities.

h) Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

i) Cash at Bank and in Hand

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

j) Current Asset Investments

Deposits with a maturity date greater than three months and less than one year are held as current asset investments.

k) Creditors and Accruals

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

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

l) Reserves

The unrestricted reserve represents the main activity of the society. The restricted reserves represent amounts given or raised for the purchase and improvement of the property, the provision of new facilities, or for some other specific purpose. Maintenance of existing facilities is charged to the unrestricted reserve unless funded by a specific restricted reserve. Allocation of overhead expenditure between the reserves is apportioned based upon staff time or usage.

Restricted income expended on capital assets and subject to no further restrictions is transferred to the unrestricted reserve.

Further details of each restricted reserve are provided in Note 15.

m) Pensions

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society.

n) Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Donations and Legacies

	2021			2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations	111,865	57,556	169,421	126,654	12,687	139,341
Grants	8,157	50,000	58,157	6,236	89,000	95,236
Legacies	7,438	-	7,438	-	-	-
Tax refunds	21,632	2,297	23,929	26,375	2,388	28,763
	<u>149,092</u>	<u>109,853</u>	<u>258,945</u>	<u>159,265</u>	<u>104,075</u>	<u>263,340</u>

3. Contributions from Guests

	2021 £	2020 £
Programme Events	69,799	62,006
Individual Retreats	121,398	91,617
Catered groups	15,417	8,416
	<u>206,614</u>	<u>162,039</u>

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

4. Other Incoming Resources

	2021	2020
	£	£
Statutory grants	2,592	2,751
Other Income	5,446	8,146
Insurance claim income	53	12,225
	<hr/>	<hr/>
	8,091	23,122
	<hr/>	<hr/>

5. Covid-19 grants and furlough

	2021	2020
	£	£
Covid-19 business support	26,729	27,000
Coronavirus Job Retention Scheme	17,518	33,999
	<hr/>	<hr/>
	44,247	60,999
	<hr/>	<hr/>

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

6. Total Resources Expended

	Basis of Allocation	Voluntary Income	Fundraising & Trading	Premises Costs	Charitable Activities	2021 Total	2020 Total
		£	£	£	£	£	£
Unrestricted							
Staff wages	Staff Time	6,717	1,343	3,359	55,754	67,173	90,688
Community allowance, pensions and council tax	Staff Time	6,815	1,363	3,407	56,564	68,149	88,651
Guest Leaders and other personnel costs	Direct	-	-	-	10,512	10,512	7,102
Food and catering supplies	Usage	1,379	276	689	27,486	29,830	24,888
Housekeeping	Usage	1,271	508	3,813	19,829	25,421	23,134
Facilities upgrades	Usage	1,513	605	4,539	23,602	30,259	-
Building repairs and maintenance	Usage	1,720	688	5,160	26,830	34,398	16,653
Energy and water	Usage	1,688	675	5,063	26,330	33,756	27,936
Grounds, gardening and external repairs	Usage	1,005	402	3,014	15,669	20,090	23,686
Sheldon Hub direct IT and publicity	Direct	-	-	-	20,271	20,271	10,104
Sheldon Hub direct wage costs	Direct	-	-	-	27,939	27,939	27,059
Project CDM	Direct	-	-	-	-	-	(15,490)
Insurance	Usage	1,609	643	4,826	25,095	32,173	29,049
Technical infrastructure	Usage	3,853	771	1,156	32,748	38,528	32,877
Audit, accountancy and bookkeeping (Note 9)	Direct/Usage	2,105	421	632	22,360	25,518	26,974
Legal advice	Usage	-	-	-	-	-	6,087
Office costs, printing and advertising	Usage	4,980	152	381	8,454	13,967	8,367
Vehicle maintenance and fuel	Usage	694	139	208	5,895	6,936	4,002
Goods for resale (shop and bar)	Direct	-	7,144	-	-	7,144	6,621
Bank Charges	Direct	-	-	-	3,621	3,621	3,173
Licenses and other guest facility costs	Direct	-	-	-	7,414	7,414	3,800
Fundraising Events	Direct	-	186	-	-	186	1,707
Depreciation	Usage	1,035	414	3,105	16,143	20,697	28,473
Amortisation	Direct	-	-	-	39,460	39,460	40,391
Asset disposal	Usage	-	-	-	-	-	-
Less:							
Attributable to Restricted Funds (see next page)		36,384	15,731	39,352	471,976	563,443	515,932
		-	-	-	(121,720)	(121,720)	(95,183)
		36,384	15,731	39,352	350,256	441,723	420,749

Premises costs relate to the parts of Sheldon used by Sheldon Limited and for which Sheldon Limited pays rent to the Society.

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

8. Related Parties

The Warden of the Society, Sarah Horsman is a director of Sheldon Ltd.

Sheldon Ltd is a wholly owned subsidiary of the charity as detailed in Note 11. Neither the Warden, nor any Trustee, received any income from that company. The company used some of the Society's facilities on its site at Sheldon and paid for such use. The total paid in 2021 was £5,000 (2020: £5,000). The company gifted £1,730 (2020: £2,900) to the Society during 2021. At 31 December 2021 the Society neither owed any money to Sheldon Limited (2020 £Nil) and was owed £1,730 (2020: £2,900) by that company.

Mr Carl Lee, a trustee, and his wife lived on site as part of the community as self-supporting members. They received no salary but living quarters, food and support were provided. Miss Hillary Hanson, lived on site as part of the community, receiving living quarters and food as other members of the Community. In November 2016 she was appointed as a trustee with the approval of the Charity Commission. She received a total remuneration of £13,080 (2020: £12,516).

During the year less than £10,000 (2020: less than £12,000) was paid to the son of Mr Carl Lee and less than £4,000 (2020: less than £4,000) was paid to the daughter of Mr Carl Lee for work at the Sheldon site. The contracts of employment are the same for any other employee of the charity. The Trustees believe that they were paid at less than the market rate. During the year, £1,120 (2020: £3,335) was paid to the son of Mr Carl Lee for the rental of various equipment for use at the Sheldon site.

9. Amounts payable to auditor

Included in the Audit, accountancy and bookkeeping line in note 6 are the following amounts payable to the auditor:

	2021	2020
	£	£
Audit	4,400	4,400
Other fees payable to Auditor	9,220	10,539

10(a) Tangible Fixed Asset

	Freehold Land & Buildings £	Fixtures, Fittings & Equipment £	Computers £	Tractors and Motor Vehicles £	Total £
COST					
At 1 January 2021	3,989,226	425,535	151,292	109,882	4,675,935
Additions	-	-	-	-	-
At 31 December 2021	3,989,226	425,535	151,292	109,882	4,675,935
DEPRECIATION/IMPAIRMENT					
At 1 January 2021	268,631	391,031	147,716	81,563	888,941
Charge for Year	-	13,365	2,052	5,280	20,697
At 31 December 2021	268,631	404,396	149,768	86,843	909,638
NET BOOK VALUE					
At 31 December 2021	3,720,595	21,139	1,524	23,039	3,766,297
At 31 December 2020	3,720,595	34,504	3,576	28,319	3,786,994

**The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021**

10(b) Intangible Fixed Assets

	Hub £
Cost at 1 January 2021	201,957
Additions	-
	201,957
AMORTISATION	144,435
At 1 January 2021	39,460
Charge for year	-
Disposals	-
	183,895
At 31 December 2021	183,895
NET BOOK VALUE	18,062
At 31 December 2021	18,062
	57,522
At 31 December 2020	57,522

This asset is "The Sheldon Hub – doing healthy ministry together" which is an online support resource provided free of charge www.sheldonhub.org

11. Fixed Asset Investments

	B/forward £	Additions £	Gains/Losses on revaluation £	C/forward £
Endowment Fund	290,567	-	39,255	329,822
General	121,208	-	20,373	141,581
Sheldon Ltd	100	-	-	100
	411,875	-	59,628	471,503
	411,875	-	59,628	471,503

The Endowment Fund is held in the CCLA COIF Charities Ethical Investment Fund. It was created in 2015 by the Trustees after receipt of two substantial legacies. The purpose of the Fund is to provide greater long term financial stability for the charity.

The charity relies on legacies and donations to cover the shortfall of its income when compared to expenditure incurred. Income generated through the charitable activities, trading income, and investment income from the wholly owned subsidiary company (Sheldon Limited) are all related to the single site at Sheldon. In the event of substantial physical damage to the site, or reputational damage to the Society, there could be a reduction in the voluntary and/or other income, leaving the Society with an excess of expenditure over the remaining income. While insurance should cover some of that liability, it would still leave a potential shortfall.

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

11. Fixed Asset Investments (continued)

Most of the expenditure would be difficult to reduce in the short term, and reductions in some areas could result in additional liabilities, such as where the Society has a responsibility for the welfare of the members of the Community who are also employees of the Society. The property at Sheldon is very extensive and includes several older grade two listed buildings and there are no easy short term options for converting land and buildings into cash.

The Trustees wish to be confident of maintaining the provision of services for the beneficiaries of the Charity and to have adequate provision for the members of the Community and the other employees in the face of these uncertainties. They have, therefore, established their own endowment fund with the object of generating income to help with the excess of expenditure over voluntary and charitable activities income. The capital element of the endowment fund would also be available in the case of major unplanned events. Its existence, therefore, gives valuable additional financial stability to the Charity.

Sheldon Limited. The Society has beneficial ownership of all of the ordinary share capital of Sheldon Limited. These shares were purchased on 25 May 2002 for £100.

The assets and liabilities of the subsidiary Sheldon Ltd at 31 December 2021 were:

Current Assets	£
	9,755
Less: Creditors: Amounts falling due within one year	6,103

Total Net Assets	3,652

Aggregate share capital and reserves	3,652

The results are not consolidated into these financial statements. Income for the year was £7,420 (2020: £8,659) and after deducting expenditure of £10,343 (2020: £5,718) a loss of £2,905 arises (2020: profit £2,941). A donation under Gift Aid of £1,730 (2020: £2,900) was made to the charity and the charity charged Sheldon Ltd rent of £5,000 (2020: £5,000) and this is included as investment income in the Statement of Financial Activities.

If consolidated accounts were prepared, the net income would decrease by £2,905 (2020: (£2,941)). Activities for generating funds would increase by £7,420 (2020: £8,659), investment income would reduce by £5,000 (2020: £5,000) and cost of generating voluntary income would increase by £5,343 (2020: £718).

12. Debtors and Prepayment

	2021	2020
	£	£
Tax recoverable	19,577	15,413
Grants and legacies receivable	5,000	5,000
Prepayments	24,795	24,557
Other debtors	1,730	8,552
	-----	-----
	51,102	53,522
	-----	-----

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

13. Creditors and Accruals

	2021	2020
	£	£
Trade creditors	18,065	6,570
Taxation and social security	-	3,541
Deposits re future bookings	24,128	3,901
Accruals	30,506	38,888
Cancelled booking credits	10,000	17,703
Interest free loans due in less than one year	20,000	5,000
	<hr/>	<hr/>
	102,699	75,603
	<hr/> <hr/>	<hr/> <hr/>

14. Long Term Loans

The loans are interest free and repayable as follows:

	2021	2020
	£	£
After 1 year and within 5 years	5,000	15,000
After 5 years	-	5,000
	<hr/>	<hr/>
	5,000	20,000
	<hr/> <hr/>	<hr/> <hr/>

The Society of Mary and Martha
Notes to the Financial Statements
Year Ended 31 December 2021

15. Movement in Reserves

Current Year		B/forward Reserves	Income	Expenditure	Gains	Transfers	C/forward Reserves
		£	£	£	£	£	£
General Fund		4,615,909	442,521	(441,723)	20,373	(11,839)	4,625,241
Endowment		290,567	-	-	39,255	-	329,822
		<u>4,906,476</u>	<u>442,521</u>	<u>(441,723)</u>	<u>59,628</u>	<u>(11,839)</u>	<u>4,955,063</u>
Anglican Clergy		-	50,000	(50,000)	-	-	-
Sheldon Hub		-	56,371	(68,210)	-	11,839	-
Community Fund		3,605	3,482	(3,510)	-	-	3,577
		<u>3,605</u>	<u>109,853</u>	<u>(121,720)</u>	<u>-</u>	<u>11,839</u>	<u>3,577</u>
		<u>4,910,081</u>	<u>552,374</u>	<u>(563,443)</u>	<u>59,628</u>	<u>-</u>	<u>4,958,640</u>
Previous Year		B/forward Reserves	Income	Expenditure	Gains	Transfers	C/forward Reserves
		£	£	£	£	£	£
General Fund		4,618,046	447,709	(420,749)	10,816	(39,913)	4,615,909
Endowment		273,288	-	-	17,279	-	290,567
		<u>4,891,334</u>	<u>447,709</u>	<u>(420,749)</u>	<u>28,095</u>	<u>(39,913)</u>	<u>4,906,476</u>
Anglican Clergy		-	50,000	(50,000)	-	-	-
Sheldon Hub		-	45,345	(57,163)	-	11,818	-
Community Fund		3,510	3,605	(3,510)	-	-	3,605
Project CDM		(48,710)	5,125	15,490	-	28,095	-
Building projects		-	-	-	-	-	-
		<u>(45,200)</u>	<u>104,075</u>	<u>(95,183)</u>	<u>-</u>	<u>39,913</u>	<u>3,605</u>
		<u>4,846,134</u>	<u>551,784</u>	<u>(515,932)</u>	<u>28,095</u>	<u>-</u>	<u>4,910,081</u>

The Sheldon Hub is an online mutual support resource for people in ministry. The project was originally funded by a specific appeal and all income is reported through a restricted reserve.

Ongoing maintenance and development of the Sheldon Hub is reported in resources expended in Note 6. While the Hub appeal continues, costs will continue to be charged to the restricted reserve. The deficit for the year has been covered in full by the general reserve.

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15. Movement in Reserves (continued)

The Anglican Clergy Fund relates to the general work of the Society to support clergy in the Church of England and their families who are experiencing mental and/or physical illness and who may have limited financial resources thus making them unable to meet the full costs of staying at Sheldon. The work of the Society in this area is supported by the very generous grant of £50,000 by the Clergy Support Trust.

The Community Fund represents donations made specifically for the Community and they are distributed through the payroll into the Community's communal account.

16. Capital Commitments

At 31 December 2021 the Trustees had outstanding capital commitments of £5,950 (2020: Nil).

There were no other off-balance sheet commitments

17. Analysis of Assets and Liabilities between Funds

Current Year	Unrestricted reserves £	Endowment £	Restricted reserves £	2021 Total £
FIXED ASSETS				
Tangible assets	3,766,297	-	-	3,766,297
Intangible assets	18,062	-	-	18,062
Investments	141,681	329,822	-	471,503
	<u>3,926,040</u>	<u>329,822</u>	<u>-</u>	<u>4,255,862</u>
CURRENT ASSETS				
Stock	5,502	-	-	5,502
Debtors and prepayments	51,102	-	-	51,102
Current asset investment	530,625	-	-	530,625
Cash at bank and in hand	219,671	-	3,577	223,248
	<u>806,900</u>	<u>-</u>	<u>3,577</u>	<u>810,477</u>
Creditors due within one year	(102,699)	-	-	(102,699)
NET CURRENT ASSETS	<u>704,201</u>	<u>-</u>	<u>3,577</u>	<u>707,778</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>4,630,241</u>	<u>329,822</u>	<u>3,577</u>	<u>4,963,640</u>
Creditors due after one year	(5,000)	-	-	(5,000)
	<u>4,625,241</u>	<u>329,822</u>	<u>3,577</u>	<u>4,958,640</u>

Additional information relating to proposed future application of reserves is reported in the Trustees Report.

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17. Analysis of Assets and Liabilities between Funds (continued)

Previous Year	Unrestricted reserves £	Endowment £	Restricted reserves £	2020 Total £
FIXED ASSETS				
Tangible assets	3,786,994	-	-	3,786,994
Intangible assets	57,522	-	-	57,522
Investments	121,308	290,567	-	411,875
	<u>3,965,824</u>	<u>290,567</u>	<u>-</u>	<u>4,256,391</u>
CURRENT ASSETS				
Stock	7,788	-	-	7,788
Debtors and prepayments	53,522	-	-	53,522
Current asset investment	477,006	-	-	477,006
Cash at bank and in hand	207,372	-	3,605	210,977
	<u>745,688</u>	<u>-</u>	<u>3,605</u>	<u>749,293</u>
Creditors due within one year	(75,603)	-	-	(75,603)
NET CURRENT ASSETS	<u>670,085</u>	<u>-</u>	<u>3,605</u>	<u>673,690</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>4,635,909</u>	<u>290,567</u>	<u>3,605</u>	<u>4,930,081</u>
Creditors due after one year	(20,000)	-	-	(20,000)
	<u>4,615,909</u>	<u>290,567</u>	<u>3,605</u>	<u>4,910,081</u>

