LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales · Charity number 1053813

Details

Other names	LEE ABBEY 3
Status	Registered
Legal form	Charitable company
Company number	03137720
Registered	1996-03-14
Register	View on the Charity Commission register

Contact

Address	Lee Abbey Lynton Devon EX35 6JJ
Phone	01598 752621
Email	AndrewFirman@cartercamerons.com
Website	www.leeabbey.org.uk

Activities

Objects: THE CHARITY'S OBJECTS ARE THE ADVANCEMENT OF THE CHRISTIAN FAITH WORLD-WIDE THROUGH THE MINISTRY OF COMMUNITIES OF CHRISTIANS WHOSE SHARED LIVES IN THE FELLOWSHIP OF THE HOLY SPIRIT COMMUNICATE THE LOVE OF GOD REVEALED IN JESUS CHRIST AND FOR THE RELIEF OF THE NEEDS OF THOSE LIVING OR WORKING IN THE LOCAL AREA SERVED BY LOCAL CHRISTIAN CHURCHES

Activities: The charity's objects are the advancement of the Christian faith worldwide through the ministy of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

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Classification

- **How:** Provides Human Resources, Other Charitable Activities
- **What:** Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Birmingham City
- Bristol City
- Coventry City
- Dudley
- Sandwell
- Solihull
- Walsall
- Wolverhampton

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£45,033	£61,420	-	-
2024-04-30	£42,761	£55,189	-	-
2023-04-30	£46,231	£73,268	-	-
2022-04-30	£82,289	£65,506	-	-
2021-04-30	£72,750	£62,202	-	-

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Trustees

Name	Role	Appointed
Andrew Wooding Jones	Chair	2021-11-23
Dave Hase		2022-02-02
Edward Michael Palairet		2023-10-31
Paul Armitage		2025-09-04
Rev CLAIRE McILROY		2019-12-07
Rev Mark Christopher Bishop		2018-10-05
SUSAN MARGARET EDMONDSON		
THE VEN DR ANDREW JOHN JOLLEY		

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LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales - Charity number 1053813

Accounts

Company registration number: 03137720
Charity registration number: 1053813

Lee Abbey Household Communities

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 April 2025

WESTCOTTS
CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Lee Abbey Household Communities

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Lee Abbey Household Communities

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 April 2025.

Objectives and activities

The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

These objects are currently fulfilled through Small Missional Communities in Knowle West (Bristol) and Ford (Plymouth). These SMCs are places for prayer and healing and, through a variety of ministries offered by Community Members, provide valuable support to local churches and their communities.

The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives and interest is evidenced at Friend's gatherings.

Achievements and performance

The Small Missional Communities continue to consolidate and plan for the future.

The Knowle West Community currently numbers 4 (6 for most of the financial year). The Board have been delighted to hear of many initiatives connecting the Lee Abbey community with the wider community in Knowle West through churches and other community initiatives. With Trustees and the Local Support Group the community at Knowle West have slowly embarked on a programme to refresh the facilities within the house. Building work has continued with a major building project on two sides of the property and a refurbishment of the neighbouring Community Centre and the community building project will continue once neighbouring construction work has been completed.

The community in Ford functions in partnership with the Diocese of Exeter. The house is currently occupied by a single family unit. The Community has continued to support the replanting of St Mark's Church. The Pioneer Minister has recently moved to a new place of ministry and is expected to be replaced.

During the financial year Trustees took the decision to close the community in Aston and sell the property. The property in Albert Rd is being marketed following an independent valuation survey. A memorable service of Thanksgiving for the mission and ministry of the Aston SMC was held in May 2025.

Going Concern

The Trustees continue to take the necessary management actions to ensure the charity's activities continue to flourish. They have determined that when the accounts were prepared there was not a material uncertainty that casts significant doubt on the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit

In setting our objectives and reviewing the activities of the three household communities we have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion.

Lee Abbey Household Communities

Trustees' Report

The two active communities are ministering in areas in Bristol and Plymouth where there are significant needs. In all their activities the communities have been seeking to communicate the love of God in Jesus Christ through their ministry and have done much valuable work in relieving the needs of those living and/or working in the areas served by the local churches in a wide variety of ways, some of which have been referred to in this report. Most of their work is in benefiting those at the lower end of the income scale; and no one is debarred by their financial circumstances from benefiting from the ministry of the SMCs.

Having carefully reviewed the activities carried out by the Knowle West and Ford Communities in furtherance of this charity's object, we have concluded that those activities are of clear and significant public benefit.

Financial review

Both Knowle West and Ford communities have operated during the year with community numbers at or sometimes below break even. Recruitment is a challenge but donations are sufficient to sustain communities when contributions require additional support.

There was a net outflow of unrestricted funds of £15,940 (2024: £2,255) and a net outflow of restricted funds of £447 (2024: net outflow £9,818).

Principal Funding Sources

Our principal funding source continues to be donations £21,859 (2024: £23,147) and contributions from the Communities £22,161 (2024: £18,236). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

Reserves

Lee Abbey Household Communities seek to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 19 months of expenditure in cash and free reserves (2024-27).

The trustees have agreed to designate £311,235 (2024 - £320,884) to a Designated Property Reserve to better illustrate to users of the accounts what "free" reserves are available. As most of the unrestricted reserves are made up of property (which is used as part of the charitable objectives, it was felt that an element of this should be designated and shown separately.

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Plans for future periods

The trustees will continue to seek new opportunities to establish SMCs either directly or in partnership with other suitable bodies.

Lee Abbey Household Communities

Trustees' Report

Qualifying indemnity provision

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of of the company for that period.

Structure, governance and management

Appointment of Trustees

As set out in the Articles of Association the Board of Trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee providing that he or she is recommended by the Board of Trustees and the agreement of the Holding Charity has been given. A trustee so appointed will hold office only until the following Annual General Meeting.

Trustee Induction and Training

New trustees are encouraged to spend time with the chair of Board, who will guide them through the induction process which includes time with the senior management team.

Organisation

The Board of Trustees administers the Charity. The trustees have delegated the day to day management of the operations of the Charity to the leaders of the Small Missional Communities (Households) and the Chairs of their Local Support Groups (LSG).

Governance and Internal Control

During the year, management and trustees kept under review the financial and other risks of the Small Missional Communities (Households) and the Charity. All risks are managed as part of the on-going operation of the Charity.

In July 2013, The Council of Lee Abbey Movement agreed, on the recommendation of the Household Communities Board, that in future Households should be known as Small Missional Communities (SMCs) and the Household Board as the Small Missional Communities Board.

Trustees:

Ven A D Wooding Jones, (Chair)
Revd M C Bishop
Revd Canon Dr G R Cappleman
Ven Dr A J Jolley
Revd C McIlroy
Mr D Hase
Mrs S M Edmondson
Mr E M Palairet
Mr P Armitage (appointed 4 September 2025)

Lee Abbey Household Communities

Trustees' Report

Secretary	CLC Secretarial Services Limited
Charity Registration Number	1053813
Company Registration Number	03137720
Registered Office	Lee Abbey Lynton Devon EX35 6JJ
Auditor	Westcotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ
Solicitors:	Carter Lemon Camerons 3rd Floor, 20 King Street London EC2V 8EG

Financial review

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Statement of trustees' responsibilities

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Lee Abbey Household Communities

Trustees' Report

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 5/12/25 and signed on its behalf by:

Ven A D Wooding Jones
Trustee

Independent Auditor's Report to the Members of Lee Abbey Household Communities

Opinion

We have audited the financial statements of Lee Abbey Household Communities (the 'charity') for the year ended 30 April 2025, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 30 April 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, 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 Auditor's Report to the Members of Lee Abbey Household Communities

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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our 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' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 4 and 5), 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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.

Independent Auditor's Report to the Members of Lee Abbey Household Communities

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report to the Members of Lee Abbey Household Communities

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Catherine Williams FCA DChA (Senior Statutory Auditor)

For and on behalf of
Westcotts (SW) LLP, Statutory Auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 5th December 2025

Lee Abbey Household Communities

Statement of Financial Activities for the Year Ended 30 April 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and Endowments from:					
Donations and legacies	3	21,859	-	21,859	23,147
Charitable activities	4	22,161	-	22,161	18,236
Investment income	5	1,013	-	1,013	1,378
Total income		45,033	-	45,033	42,761
Expenditure on:					
Charitable activities	6	(60,973)	(447)	(61,420)	(55,189)
Total expenditure		(60,973)	(447)	(61,420)	(55,189)
Net expenditure		(15,940)	(447)	(16,387)	(12,428)
Net movement in funds		(15,940)	(447)	(16,387)	(12,428)
Reconciliation of funds					
Total funds brought forward		401,660	20,825	422,485	434,913
Total funds carried forward	14	385,720	20,378	406,098	422,485

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

The funds breakdown for 2024 is shown in note 14.

Lee Abbey Household Communities

(Registration number: 03137720)
Balance Sheet as at 30 April 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	311,235	320,884
Current assets			
Debtors	12	523	485
Cash at bank and in hand		98,274	103,416
		98,797	103,901
Creditors: Amounts falling due within one year	13	(3,934)	(2,300)
Net current assets		94,863	101,601
Net assets		406,098	422,485
Funds of the charity:			
Restricted income funds			
Restricted funds		20,378	20,825
Unrestricted income funds			
Unrestricted funds		385,720	401,660
Total funds	14	406,098	422,485

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 20 were approved by the trustees, and authorised for issue on 5/12/25... and signed on their behalf by:

Ven A D Wooding Jones
Trustee

Notes to the Financial Statements for the Year Ended 30 April 2025

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Lee Abbey
Lynton
Devon
EX35 6JJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Lee Abbey Household Communities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are prepared in sterling which is the functional currency of the charity.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement
The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on expedience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure
All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land and buildings	10-50 years straight line

Freehold land is not depreciated.

Impairment of fixed assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds £	Total 2025 £
Donations	6,668	6,668
Donations from Lee Abbey Movement	15,191	15,191
	21,859	21,859

	Unrestricted funds £	Total 2024 £
Donations	7,647	7,647
Donations from Lee Abbey Movement	15,500	15,500
	23,147	23,147

4 Income from charitable activities

	Unrestricted funds £	Total 2025 £
Contributions from communities	22,161	22,161

	Unrestricted funds General £	Total 2024 £
Contributions from communities	18,236	18,236

5 Investment income

	Unrestricted funds £	Total 2025 £
Interest receivable on bank deposits	1,013	1,013

	Unrestricted funds £	Total 2024 £
Interest receivable on bank deposits	1,378	1,378

6 Expenditure on charitable activities

	Note	Unrestricted funds Designated £	Unrestricted funds General £	Restricted funds £	Total 2025 £
Christian faith ministries		9,649	46,573	447	56,669
Support costs	7	-	4,751	-	4,751
		9,649	51,324	447	61,420

	Note	Unrestricted Designated £	Unrestricted General £	Restricted funds £	Total 2024 £
Christian faith ministries		9,649	31,230	8,650	49,529
Support costs	7	-	5,660	-	5,660
		9,649	36,890	8,650	55,189

7 Analysis of support costs

Support costs allocated to charitable activities

	Total 2025 £	Total 2024 £
Contribution to Lee Abbey Movement	2,400	2,400
Auditor remuneration	2,316	2,540
Professional fees	35	720
	4,751	5,660

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Depreciation of fixed assets	9,649	9,649

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year 3 Trustees were paid expenses totalling £778 mainly in respect of travel costs.

10 Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025 £	2024 £
Wages and salaries	-	8,650

The average number of full-time equivalent employees during the year is analysed as follows:

	2025 No	2024 No
Number of staff	-	1

No employee received emoluments of more than £60,000 during the year.

11 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 May 2024	426,830	426,830
At 30 April 2025	426,830	426,830
Depreciation		
At 1 May 2024	105,946	105,946
Charge for the year	9,649	9,649
At 30 April 2025	115,595	115,595
Net book value		
At 30 April 2025	311,235	311,235
At 30 April 2024	320,884	320,884

12 Debtors

	2025 £	2024 £
Other debtors	523	485

13 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	3,934	2,300

Notes to the Financial Statements for the Year Ended 30 April 2025

14 Funds

	Balance at 1 May 2024 £	Incoming resources £	Resources expended £	Balance at 30 April 2025 £
Unrestricted funds				
General Funds	80,776	45,033	(51,324)	74,485
Designated				
Designated Property Reserve	320,884	-	(9,649)	311,235
Total unrestricted funds	401,660	45,033	(60,973)	385,720
Restricted funds				
Aston Development	20,825	-	(447)	20,378
Total funds	422,485	45,033	(61,420)	406,098

	Balance at 1 May 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 April 2024 £
Unrestricted funds					
General Funds	73,737	42,761	(36,890)	1,168	80,776
Designated					
Designated Property Reserve	330,533	-	(9,649)	-	320,884
Total unrestricted funds	404,270	42,761	(46,539)	1,168	401,660
Restricted funds					
Aston Development	20,825	-	-	-	20,825
Ford Payroll Support	9,818	-	(8,650)	(1,168)	-
	30,643	-	(8,650)	(1,168)	20,825
Total funds	434,913	42,761	(55,189)	-	422,485

The specific purposes for which the funds are to be applied are as follows:

The Aston Development fund is a fund to pay for the redevelopment of the Aston Buildings.

Ford Payroll Support was received to fund the wages of the staff member in Plymouth.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds at 30 April 2025 £
Tangible fixed assets	311,235	-	311,235
Current assets	78,419	20,378	98,797
Current liabilities	(3,934)	-	(3,934)
Total net assets	385,720	20,378	406,098

	Unrestricted funds £	Restricted funds £	Total funds at 30 April 2024 £
Tangible fixed assets	320,884	-	320,884
Current assets	83,076	20,825	103,901
Current liabilities	(2,300)	-	(2,300)
Total net assets	401,660	20,825	422,485

16 Related party transactions

The charity is part of the group known as The Lee Abbey Movement and has transactions with other group members. These comprise:

- payments from The Lee Abbey Movement of £15,191 (2024 £15,501)
- payments to The Lee Abbey Movement of £2,400 (2024 £2,400)

17 Controlling party

Ultimate parent undertaking

The holding company is The Lee Abbey Movement which is the sole guarantor of this company.

The liability of the guarantor is limited to £1.

Consolidated accounts are available on request from the registered office.

LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales - Charity number 1053813

Accounts

Company registration number: 03137720
Charity registration number: 1053813

Lee Abbey Household Communities

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 April 2024

WESTCOTTS
CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

Lee Abbey Household Communities

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Lee Abbey Household Communities

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 April 2024.

Objectives and activities

The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

These objects are currently fulfilled through Small Missional Communities in Aston (Birmingham) and Knowle West (Bristol) and Ford (Plymouth). These SMCs are places for prayer and healing and, through a variety of ministries offered by Community Members, provide valuable support to local churches and their communities.

The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives.

Achievements and performance

The Small missional communities to consolidate and plan for the future.

The Knowle West community currently numbers 5 and one associate. The Board have been delighted to hear of many initiatives connecting the Lee Abbey community with the wider community in Knowle West.

The Aston community continues to engage in mission in the local area, particularly in their connection with neighbours. They have two full community members.

The community in Ford is run in partnership with the Diocese of Exeter. Margaret Warne's leadership ended on 9th November 2023 and new community members are being sought. The Community has contributed to the replanting of St Mark's Church. The imminent appointment of a church leader is an indication of the growth in mission and ministry locally. The community currently has two full, one associate and four under 18s living in community.

Going Concern

The Trustees continue to take the necessary management actions to ensure the charity's activities continue to flourish. They have determined that when the accounts were prepared there was not a material uncertainty that casts significant doubt on the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit

In setting our objectives and reviewing the activities of the three household communities we have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion.

Lee Abbey Household Communities

Trustees' Report

All three communities are ministering in areas in Birmingham, Bristol and Plymouth where there are significant needs. In all their activities the communities have been seeking to communicate the love of God in Jesus Christ through their ministry and have done much valuable work in relieving the needs of those living and/or working in the areas served by the local churches in a wide variety of ways, some of which have been referred to in this report. Most of their work is in benefiting those at the lower end of the income scale; and no one is debarred by their financial circumstances from benefiting from the ministry of the SMCs.

Having carefully reviewed the activities carried out by the Knowle West, Aston and Ford Communities in furtherance of this charity's object, we have concluded that those activities are of clear and significant public benefit.

Financial review

Overall Covid has not affected the Small missional communities since they each function as a household which is self-financing and does not depend on external funding although regular donations are welcome. Their mission and ministry has experienced limitations, but now each community is emerging from the pandemic and celebrating the opportunities for local mission and engagement..

There was a net outflow of unrestricted funds of £2,255 (2023: £10,781) and a net outflow of restricted funds of £9,818 (2023: net outflow £16,526).

Principal Funding Sources

Our principal funding source continues to be donations £23,147 (2023: £30,353) and contributions from the Communities £18,236 (2023: £13,846). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

Reserves

Lee Abbey Household Communities seek to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 27 months of expenditure in cash and free reserves (2023-17).

The trustees have agreed to designate £320,884 (2023 - £330,553) to a Designated Property Reserve to better illustrate to users of the accounts what "free" reserves are available. As most of the unrestricted reserves are made up of property (which is used as part of the charitable objectives, it was felt that an element of this should be designated and shown separately.

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Plans for future periods

The trustees will continue to seek new opportunities to establish SMCs either directly or in partnership with other suitable bodies.

Lee Abbey Household Communities

Trustees' Report

Qualifying indemnity provision

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of of the company for that period.

Structure, governance and management

Appointment of Trustees

As set out in the Articles of Association the Board of Trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee providing that he or she is recommended by the Board of Trustees and the agreement of the Holding Charity has been given. A trustee so appointed will hold office only until the following Annual General Meeting.

On 31st March 2023 Susan Edmondson stepped down as Chair, which has been taken on by The Ven Andy Wooding Jones. Susan continues to be involved her role as a Trustee.

Trustee Induction and Training

New trustees are encouraged to spend time with the chair of Board, who will guide them through the induction process which includes time with the senior management team.

Organisation

The Board of Trustees administers the Charity. The trustees have delegated the day to day management of the operations of the Charity to the leaders of the Small Missional Communities (Households) and the Chairs of their Local Support Groups (LSG).

Governance and Internal Control

During the year, management and trustees kept under review the financial and other risks of the Small Missional Communities (Households) and the Charity. All risks are managed as part of the on-going operation of the Charity.

In July 2013, The Council of Lee Abbey Movement agreed, on the recommendation of the Household Communities Board, that in future Households should be known as Small Missional Communities (SMCs) and the Household Board as the Small Missional Communities Board.

Lee Abbey Household Communities

Trustees' Report

Trustees	Ven A D Wooding Jones, (Chair)
	Revd M C Bishop
	Revd Canon Dr G R Cappleman
	Ven Dr A J Jolley
	Revd C McIlroy
	Mr D Hase
	Mrs S M Edmondson
	Mr E M Palairet, (appointed 31 October 2023)
Secretary	CLC Secretarial Services Limited
Charity Registration Number	1053813
Company Registration Number	03137720
Registered Office	Lee Abbey Lynton Devon EX35 6JJ
Auditor	Westcotts (SW) LLP 47 Boutport Street Barnstaple Devon EX31 1SQ
Solicitors:	Carter Lemon Camerons 3rd Floor, 20 King Street London EC2V 8EG

Financial review

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Statement of trustees' responsibilities

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Lee Abbey Household Communities

Trustees' Report

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 6/12/24 and signed on its behalf by:

Ven A D Wooding Jones
Trustee

Lee Abbey Household Communities

Independent Auditor's Report to the Members of Lee Abbey Household Communities

Opinion

We have audited the financial statements of Lee Abbey Household Communities (the 'charity') for the year ended 30 April 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 30 April 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, 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 Auditor's Report to the Members of Lee Abbey Household Communities

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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our 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' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 4 and 5), 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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.

Independent Auditor's Report to the Members of Lee Abbey Household Communities

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

Lee Abbey Household Communities

Independent Auditor's Report to the Members of Lee Abbey Household Communities

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Westcotts (SW) LLP

David Cresswell BA FCA (Senior Statutory Auditor)

For and on behalf of
Westcotts (SW) LLP, Statutory Auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 6/12/24

Lee Abbey Household Communities

Statement of Financial Activities for the Year Ended 30 April 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	23,147	-	23,147	32,353
Charitable activities	4	18,236	-	18,236	13,846
Investment income	5	1,378	-	1,378	32
Total income		42,761	-	42,761	46,231
Expenditure on:					
Charitable activities	6	(46,539)	(8,650)	(55,189)	(73,268)
Total expenditure		(46,539)	(8,650)	(55,189)	(73,268)
Net expenditure		(3,778)	(8,650)	(12,428)	(27,037)
Transfers between funds		1,168	(1,168)	-	-
Net movement in funds		(2,610)	(9,818)	(12,428)	(27,037)
Reconciliation of funds					
Total funds brought forward		404,270	30,643	434,913	461,950
Total funds carried forward	14	401,660	20,825	422,485	434,913

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

The funds breakdown for 2023 is shown in note 14.

Lee Abbey Household Communities

(Registration number: 03137720)
Balance Sheet as at 30 April 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	320,884	330,533
Current assets			
Debtors	12	485	694
Cash at bank and in hand		103,416	105,726
		103,901	106,420
Creditors: Amounts falling due within one year	13	(2,300)	(2,040)
Net current assets		101,601	104,380
Net assets		422,485	434,913
Funds of the charity:			
Restricted income funds			
Restricted funds		20,825	30,643
Unrestricted income funds			
Unrestricted funds		401,660	404,270
Total funds	14	422,485	434,913

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 21 were approved by the trustees, and authorised for issue on 6/12/24... and signed on their behalf by:

.....
Ven A D Wooding Jones
Trustee

Lee Abbey Household Communities

Statement of Cash Flows for the Year Ended 30 April 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(12,428)	(27,037)
Adjustments to cash flows from non-cash items			
Depreciation		9,649	9,649
Investment income	5	(1,378)	(32)
		(4,157)	(17,420)
Working capital adjustments			
Decrease in debtors	12	209	156
Increase/(decrease) in creditors	13	260	(257)
Net cash flows from operating activities		(3,688)	(17,521)
Cash flows from investing activities			
Interest receivable and similar income	5	1,378	32
Net decrease in cash and cash equivalents		(2,310)	(17,489)
Cash and cash equivalents at 1 May		105,726	123,215
Cash and cash equivalents at 30 April		103,416	105,726

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 13 to 21 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 30 April 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Lee Abbey
Lynton
Devon
EX35 6JJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Lee Abbey Household Communities meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on expedience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land and buildings	10-50 years straight line

Freehold land is not depreciated.

Impairment of fixed assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds £	Total 2024 £
Donations	7,647	7,647
Donations from Lee Abbey Movement	15,500	15,500
	23,147	23,147

	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations	13,180	-	13,180
Donations from Lee Abbey Movement	17,173	-	17,173
Grants receivable	-	2,000	2,000
	30,353	2,000	32,353

4 Income from charitable activities

	Unrestricted funds £	Total 2024 £	Total 2023 £
Contributions from communities	18,236	18,236	13,846

5 Investment income

	Unrestricted funds £	Total 2024 £	Total 2023 £
Interest receivable on bank deposits	1,378	1,378	32

6 Expenditure on charitable activities

	Note	Unrestricted Designated £	Unrestricted funds £	Restricted funds £	Total 2024 £
Christian faith ministries		9,649	31,230	8,650	49,529
Support costs	7	-	5,660	-	5,660
		9,649	36,890	8,650	55,189

	Note	Unrestricted Designated £	Unrestricted funds £	Restricted funds £	Total 2023 £
Christian faith ministries		9,649	40,453	18,256	68,358
Support costs	7	-	4,910	-	4,910
		9,649	45,363	18,256	73,268

7 Analysis of support costs

Support costs allocated to charitable activities

	Support costs £	Total 2024 £	Total 2023 £
Human resources	2,400	2,400	2,400
Premises	2,540	2,540	2,160
Communications and IT	720	720	350
	5,660	5,660	4,910

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	9,649	9,649

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year 5 trustees were reimbursed out of pocket expenses.

10 Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 No	2023 No
Wages and salaries	8,650	16,256

The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No	2023 No
Number of staff	1	1

No employee received emoluments of more than £60,000 during the year.

11 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 May 2023	426,830	426,830
At 30 April 2024	426,830	426,830
Depreciation		
At 1 May 2023	96,297	96,297
Charge for the year	9,649	9,649
At 30 April 2024	105,946	105,946
Net book value		
At 30 April 2024	320,884	320,884
At 30 April 2023	330,533	330,533

12 Debtors

	2024 £	2023 £
Other debtors	485	694

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals	2,300	2,040

14 Funds

	Balance at 1 May 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 April 2024 £
Unrestricted funds					
General Funds	73,737	42,761	(36,890)	1,168	80,776
Designated					
Designated Property Reserve	330,533	-	(9,649)	-	320,884
Total unrestricted funds	404,270	42,761	(46,539)	1,168	401,660
Restricted funds					
Aston Development	20,825	-	-	-	20,825
Ford Payroll Support	9,818	-	(8,650)	(1,168)	-
	30,643	-	(8,650)	(1,168)	20,825
Total funds	434,913	42,761	(55,189)	-	422,485

	Balance at 1 May 2022 £	Incoming resources £	Resources expended £	Balance at 30 April 2023 £
Unrestricted funds				
General Funds	74,869	44,231	(45,363)	73,737
Designated				
Designated Property Reserve	340,182	-	(9,649)	330,533
Total unrestricted funds	415,051	44,231	(55,012)	404,270
Restricted funds				
Knowle West Maintenance	-	2,000	(2,000)	-
Aston Development	20,825	-	-	20,825
Ford Payroll Support	26,074	-	(16,256)	9,818
	46,899	2,000	(18,256)	30,643
Total funds	461,950	46,231	(73,268)	434,913

The specific purposes for which the funds are to be applied are as follows:

The Aston Development fund is a fund to pay for the redevelopment of the Aston Buildings. Ford Payroll Support was to fund the wages of the staff member in Plymouth.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds at 30 April 2024 £
Tangible fixed assets	320,884	-	320,884
Current assets	83,076	20,825	103,901
Current liabilities	(2,300)	-	(2,300)
Total net assets	401,660	20,825	422,485

	Unrestricted funds £	Restricted funds £	Total funds at 30 April 2023 £
Tangible fixed assets	330,533	-	330,533
Current assets	75,777	30,643	106,420
Current liabilities	(2,040)	-	(2,040)
Total net assets	404,270	30,643	434,913

16 Related party transactions

The charity is part of the group known as The Lee Abbey Movement and has transactions with other group members. These comprise:

- payments from The Lee Abbey Movement of £15,501 (2023 £17,173)
- payments to The Lee Abbey Movement of £2,400 (2023 £2,400)

17 Controlling party

Ultimate parent undertaking

The holding company is The Lee Abbey Movement which is the sole guarantor of this company.

The liability of the guarantor is limited to £1.

Consolidated accounts are available on request from the registered office.

LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales - Charity number 1053813

Accounts

COMPANY REGISTRATION NUMBER: 03137720
CHARITY REGISTRATION NUMBER: 1053813

Lee Abbey Household Communities
Company Limited by Guarantee
Financial Statements
30 April 2023

WESTCOTTS (SW) LLP
Chartered accountants & statutory auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Lee Abbey Household Communities

Company Limited by Guarantee

Financial Statements

Year ended 30 April 2023

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Lee Abbey Household Communities

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 April 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 April 2023.

Objectives and activities
The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

These objects are currently fulfilled through Small Missional Communities in Aston (Birmingham) and Knowle West (Bristol) and Ford (Plymouth). These SMCs are places for prayer and healing and, through a variety of ministries offered by Community Members, provide valuable support to local churches and their communities.

The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives.

Achievements and performance
The Small missional communities to consolidate and plan for the future.

Philip and Ruth Nott left the community at Knowle West on 1st April 2023. The community currently numbers 4. The Board have been delighted to hear of many initiatives connecting the Lee Abbey community with the wider community in Knowle West.

The Aston community continues to engage in mission in the local area, particularly in their connection with neighbours. Membership of the Community has not grown.

The community in Ford Plymouth is led by Margaret Warne which is in partnership with the Diocese of Exeter. Margaret's leadership ends on 9th November 2023 and new community members are being sought. The Community has contributed to the replanting of St Mark's Church. The imminent appointment of a church leader is an indication of the growth in mission and ministry locally.

Going Concern
The Trustees continue to take the necessary management actions to ensure the charity's activities continue to flourish. They have determined that when the accounts were prepared there was not a material uncertainty that casts significant doubt on the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit
In setting our objectives and reviewing the activities of the three household communities we have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion.

The Knowle West, Aston and Ford communities are ministering in areas in Birmingham, Bristol and Plymouth where there are significant needs. In all their activities the communities have been seeking to communicate the love of God in Jesus Christ through their ministry and have done much valuable work in relieving the needs of those living and/or working in the areas served by the local churches in a wide variety of ways, some of which have been referred to in this report. Most of their work is in benefiting those at the lower end of the income scale; and no one is debarred by their financial circumstances from benefiting from the ministry of the SMCs.

Having carefully reviewed the activities carried out by the Knowle West, Aston and Ford Communities in furtherance of this charity's object, we have concluded that those activities are of clear and significant public benefit.

Financial review

Overall Covid has not affected the Small missional communities since they each function as a household which is self-financing and does not depend on external funding although regular donations are welcome. Their mission and ministry has experienced limitations, but now each community is emerging from the pandemic and celebrating the opportunities for local mission and engagement..

There was a net outflow of unrestricted funds of £10,781 (2022: £1,743) and a net outflow of restricted funds of £16,526 (2022: net inflow £18,526).

Principal Funding Sources

Our principal funding source continues to be donations £32,353 (2022: £66,950) and contributions from the Communities £13,846 (2022: £15,339). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

Reserves

Lee Abbey Household Communities seek to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 17 months of expenditure in cash and free reserves (2022-13).

The trustees have agreed to designate £330,553 (2022 - £340,182) to a Designated Property Reserve to better illustrate to users of the accounts what "free" reserves are available. As most of the unrestricted reserves are made up of property (which is used as part of the charitable objectives, it was felt that an element of this should be designated and shown separately.

Investment Powers, Policy and Performance

Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Plans for future periods

The trustees will continue to seek new opportunities to establish SMCs either directly or in partnership with other suitable bodies.

Structure, governance and management

Appointment of Trustees
As set out in the Articles of Association the Board of Trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee providing that he or she is recommended by the Board of Trustees and the agreement of the Holding Charity has been given. A trustee so appointed will hold office only until the following Annual General Meeting.

On 31st March 2023 Susan Edmondson stepped down as Chair, which has been taken on by The Ven Andy Wooding Jones. Susan continues to be involved in her role as a Trustee.

Trustee Induction and Training
New trustees are encouraged to spend time with the chair of Board, who will guide them through the induction process which includes time with the senior management team.

Organisation
The Board of Trustees administers the Charity. The trustees have delegated the day to day management of the operations of the Charity to the leaders of the Small Missional Communities (Households) and the Chairs of their Local Support Groups (LSG).

Governance and Internal Control
During the year, management and trustees kept under review the financial and other risks of the Small Missional Communities (Households) and the Charity. All risks are managed as part of the on-going operation of the Charity.

In July 2013, The Council of Lee Abbey Movement agreed, on the recommendation of the Household Communities Board, that in future Households should be known as Small Missional Communities (SMCs) and the Household Board as the Small Missional Communities Board.

Reference and administrative details

Registered charity name	Lee Abbey Household Communities
Charity registration number	1053813
Company registration number	03137720
Principal office and registered office	Lee Abbey Lynton Devon EX35 6JJ

The trustees

Ven A D Wooding Jones	Chair (Appointed 31 March 2023)
Revd M Bishop	
Revd Dr G R Cappleman	
Ven Dr A Jolley	
Revd C McIlroy	
Mr D Hase	
Mrs S Edmondson	

Company secretary	CLC Secretarial Services Limited
Auditor	Westcotts (SW) LLP Chartered accountants & statutory auditor 47 Boutport Street Barnstaple Devon EX31 1SQ
Solicitors	Carter Lemon Camerons 10 Aldersgate St London EC1A 4HJ

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

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

The trustees' annual report was approved on ...1/12/23..... and signed on behalf of the board of trustees by:

Ven A Wooding Jones
Chair

Lee Abbey Household Communities

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Household Communities

Year ended 30 April 2023

Opinion

We have audited the financial statements of Lee Abbey Household Communities (the 'charity') for the year ended 30 April 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 30 April 2023 and of its incoming resources and application of resources, including 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 Companies Act 2006 and 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.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Westcotts (SW) LLP

David Cresswell BA FCA (Senior Statutory Auditor)

For and on behalf of
Westcotts (SW LLP)
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

6/12/23

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 April 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Income and endowments					
Donations and legacies	**5**	30,353	2,000	**32,353**	66,950
Charitable activities	**6**	13,846	–	**13,846**	15,339
Investment income	**7**	32	–	**32**	–
Total income		44,231	2,000	**46,231**	82,289
Expenditure					
Expenditure on charitable activities	**8,9**	55,012	18,256	**73,268**	65,506
Total expenditure		55,012	18,256	**73,268**	65,506
Net (expenditure)/income and net movement in funds		(10,781)	(16,256)	**(27,037)**	16,783
Reconciliation of funds					
Total funds brought forward		415,051	46,899	**461,950**	445,167
Total funds carried forward		404,270	30,643	**434,913**	461,950

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Position

30 April 2023

	Note	2023 £	£	2022 £
Fixed assets				
Tangible fixed assets	14		**330,533**	340,182
Current assets				
Debtors	15	**694**		850
Cash at bank and in hand		**105,726**		123,215
		106,420		124,065
Creditors: amounts falling due within one year	16	**(2,040)**		(2,297)
Net current assets			**104,380**	121,768
Total assets less current liabilities			**434,913**	461,950
Net assets			**434,913**	461,950
Funds of the charity				
Restricted funds			**30,643**	46,899
Unrestricted funds			**404,270**	415,051
Total charity funds	17		**434,913**	461,950

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

These financial statements were approved by the board of trustees and authorised for issue on ....1/12/23....., and are signed on behalf of the board by:

Ven A Wooding Jones
Chair

The notes on pages 14 to 22 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 April 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income	**(27,037)**	16,783
Adjustments for:		
Depreciation of tangible fixed assets	**9,649**	9,649
Other interest receivable and similar income	**(32)**	–
Accrued (income)/expenses	**(257)**	447
Changes in:		
Trade and other debtors	**156**	(690)
Cash generated from operations	**(17,521)**	26,189
Interest received	**32**	–
Net cash (used in)/from operating activities	**(17,489)**	26,189
Net (decrease)/increase in cash and cash equivalents	**(17,489)**	26,189
Cash and cash equivalents at beginning of year	**123,215**	97,026
Cash and cash equivalents at end of year	**105,726**	123,215

The notes on pages 14 to 22 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 April 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Lee Abbey, Lynton, Devon, EX35 6JJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the FRS102 SORP, and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS102 SORP

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and which the charity may use for its purpose at its discretion.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

3. **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	- 2.5% reducing balance

Freehold land is not depreciated.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Lee Abbey Household Communities is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Donations			
Donations	13,180	–	**13,180**
Donations from Lee Abbey Movement	17,173	–	**17,173**
Grants			
Grants receivable - Diocese of Exeter	–	2,000	**2,000**
	30,353	2,000	**32,353**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	13,329	–	13,329
Donations from Lee Abbey Movement	15,447	–	15,447
Grants			
Grants receivable - Diocese of Exeter	–	38,174	38,174
	28,776	38,174	66,950

6. Charitable activities

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Contributions from Communities	13,846	**13,846**	15,339	15,339

7. Investment income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	32	**32**	–	–

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Christian faith ministries	50,102	18,256	**68,358**
Support costs	4,910	–	**4,910**
	55,012	18,256	**73,268**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Christian faith ministries	41,468	19,648	61,116
Support costs	4,390	–	4,390
	45,858	19,648	65,506

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2023 £**	Total fund 2022 £
Christian faith ministries	68,358	4,910	**73,268**	65,506

10. Analysis of support costs

	Analysis of support costs activity 1	**Total 2023**	Total 2022
	£	**£**	£
Premises	2,160	**2,160**	1,990
Communications and IT	350	**350**	–
Human resources	2,400	**2,400**	2,400
	4,910	**4,910**	4,390

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	**9,649**	9,649

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	**16,256**	17,453

The average head count of employees during the year was 1 (2022: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	**1**	1

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

During the year Trustees' did not receive any remuneration and other emoluments (2022: £NIL).

14. Tangible fixed assets

	Land and buildings £
Cost	
At 1 May 2022 and 30 April 2023	**426,830**
Depreciation	
At 1 May 2022	**86,648**
Charge for the year	**9,649**
At 30 April 2023	**96,297**
Carrying amount	
At 30 April 2023	**330,533**
At 30 April 2022	340,182

15. Debtors

	2023 £	2022 £
Other debtors	**694**	850

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	**2,040**	2,297

17. Analysis of charitable funds

Unrestricted funds

	At 1 May 2022 £	Income £	Expenditure £	At **30 April 2023** £
General funds	74,869	44,231	(45,363)	**73,737**
Designated Property Reserve	340,182	–	(9,649)	330,533
	415,051	44,231	(55,012)	404,270

	At 1 May 2021 £	Income £	Expenditure £	At 30 April 2022 £
General funds	66,963	44,115	(36,209)	74,869
Designated Property Reserve	349,831	–	(9,649)	340,182
	416,794	44,115	(45,858)	415,051

17. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 May 2022 £	Income £	Expenditure £	At 30 April 2023 £
Aston Development	20,825	–	–	**20,825**
Ford Payroll Support	26,074	–	(16,256)	**9,818**
Knowle West Maintenance	–	2,000	(2,000)	**–**
	46,899	2,000	(18,256)	**30,643**

	At 1 May 2021 £	Income £	Expenditure £	At 30 April 2022 £
Aston Development	20,825	–	–	20,825
Ford Payroll Support	7,548	38,174	(19,648)	26,074
Knowle West Maintenance	–	–	–	–
	28,373	38,174	(19,648)	46,899

Purposes of restricted funds

The Aston Development fund is a fund to pay for the redevelopment of the Aston Buildings. Ford Payroll Support is to fund the wages of the staff member in Plymouth.

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Tangible fixed assets	330,533	–	**330,533**
Current assets	75,777	30,643	**106,420**
Creditors less than 1 year	(2,040)	–	**(2,040)**
Net assets	404,270	30,643	**434,913**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	340,182	–	340,182
Current assets	77,166	46,899	124,065
Creditors less than 1 year	(2,297)	–	(2,297)
Net assets	415,051	46,899	461,950

19. Analysis of changes in net debt

	At 1 May 2022	Cash flows	At 30 Apr 2023
	£	£	£
Cash at bank and in hand	123,215	(17,489)	**105,726**

20. Related parties

The charity is part of the group known as The Lee Abbey Movement and has transactions with other group members. These comprise:

- payments from The Lee Abbey Movement of £17,173 (2022 - £15,447)

- payments to The Lee Abbey Movement of £2,400 (2022 - £2,400)

- balance owed to Lee Abbey Movement of £ nil (2022 - £377)

21. Controlling party

Ultimate parent undertaking

The holding company is The Lee Abbey Movement which is the sole guarantor of this company. The liability of the guarantor is limited to £1.

Consolidated accounts are available on request from the registered office.

LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales - Charity number 1053813

Accounts

COMPANY REGISTRATION NUMBER: 03137720
CHARITY REGISTRATION NUMBER: 1053813

Lee Abbey Household Communities

Company Limited by Guarantee

Financial Statements

30 April 2022

WESTCOTTS (SW) LLP
Chartered accountants & statutory auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Lee Abbey Household Communities

Company Limited by Guarantee

Financial Statements

Year ended 30 April 2022

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Lee Abbey Household Communities

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 April 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 April 2022.

Objectives and activities
The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

These objects are currently fulfilled through Small Missional Communities in Aston (Birmingham) and Knowle West (Bristol) and Ford (Plymouth). These SMCs are places for prayer and healing and, through a variety of ministries offered by Community Members, provide valuable support to local churches and their communities.

The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives.

Achievements and performance
The Small missional communities have had a year of consolidation as they emerge from Covid and have been able to re-establish their ministries

Philip and Ruth Nott continue in their leadership of the community at Knowle west. The community now numbers 4.

The Aston community continues to engage in mission in the local area, though the membership has not grown.

The community in Ford Plymouth led by Margaret Warne which is in partnership with the Diocese of Exeter had 3 members at the end of April

Going Concern
COVID-19 has had a significant impact on the activities of the charity during the year and the Trustees expect that the effects of the pandemic will continue to be felt during the financial year ending 30 April 2023. The impact on future performance and on the measurement of certain assets and liabilities and on liquidity might be significant and may require further disclosure in future financial statements.

The Trustees have reviewed various scenarios and evaluated management actions to ensure the safety of its communities and to mitigate the effects of the pandemic on the charity's activities. They have determined that when the accounts were prepared there was not a material uncertainty that casts significant doubt on the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit
In setting our objectives and reviewing the activities of the two household communities we have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion.

Both Knowle West and the Aston communities are ministering in areas in Birmingham and Bristol where there are significant needs. In all their activities the communities have been seeking to communicate the love of God in Jesus Christ through their ministry and have done much valuable work in relieving the needs of those living and/or working in the areas served by the local churches in a wide variety of ways, some of which have been referred to in this report. Most of their work is in benefiting those at the lower end of the income scale; and no one is debarred by their financial circumstances from benefiting from the ministry of the SMCs.

Having carefully reviewed the activities carried out by the Knowle West, Aston and Ford Communities in furtherance of this charity's object, we have concluded that those activities are of clear and significant public benefit.

Financial review

Overall Covid has not affected the Small missional communities since they each function as a household which is self-financing and does not depend on external funding although regular donations are welcome. Their mission and ministry has experienced limitations, but now each community is emerging from the pandemic and celebrating the opportunities for local mission and engagement..

There was a net out of unrestricted funds of £1,743 (2021: inflow £2,937) and a net inflow of restricted funds of £18,526 (2021: net inflow £7,611).

Principal Funding Sources
Our principal funding source continues to be donations £66,950 (2021: £46,992) and contributions from the Communities £15,339 (2021: £25,695). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

Reserves
Lee Abbey Household Communities seek to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 13 months of expenditure in cash and free reserves (2021-13).

The trustees have agreed to designate £340,182 (2021 - £349,831) to a Designated Property Reserve to better illustrate to users of the accounts what "free" reserves are available. As most of the unrestricted reserves are made up of property (which is used as part of the charitable objectives, it was felt that an element of this should be designated and shown separately.

Investment Powers, Policy and Performance
Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Plans for future periods

The trustees will continue to seek new opportunities to establish SMCs either directly or in partnership with other suitable bodies.

Qualifying indemnity provision

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of the company for that period.

Structure, governance and management

Appointment of Trustees
As set out in the Articles of Association the Board of Trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee providing that he or she is recommended by the Board of Trustees and the agreement of the Holding Charity has been given. A trustee so appointed will hold office only until the following Annual General Meeting.

Trustee Induction and Training
New trustees are encouraged to spend time with the chair of Board, who will guide them through the induction process which includes time with the senior management team.

Organisation
The Board of Trustees administers the Charity. The trustees have delegated the day to day management of the operations of the Charity to the leaders of the Small Missional Communities (Households) and the Chairs of their Local Support Groups (LSG).

Governance and Internal Control
During the year, management and trustees kept under review the financial and other risks of the Small Missional Communities (Households) and the Charity. All risks are managed as part of the on-going operation of the Charity.

In July 2013, The Council of Lee Abbey Movement agreed, on the recommendation of the Household Communities Board, that in future Households should be known as Small Missional Communities (SMCs) and the Household Board as the Small Missional Communities Board.

Reference and administrative details

Registered charity name	Lee Abbey Household Communities
Charity registration number	1053813
Company registration number	03137720
Principal office and registered office	Lee Abbey Lynton Devon EX35 6JJ

The trustees

S Edmondson	Chair
Revd M C Bishop	
Revd Dr G R Cappleman	
Ven Dr A J Jolley	
Revd C McIlroy	
Mr R Pool	(Resigned 4 December 2021)
Mr D Hase	(Appointed 2 February 2022)
Ven A D Wooding Jones	(Appointed 23 November 2021)

Company secretary	CLC Secretarial Services Limited
Auditor	Westcotts (SW) LLP Chartered accountants & statutory auditor 47 Boutport Street Barnstaple Devon EX31 1SQ
Bankers	Lloyds Bank Plc 207 High Street Erdington Birmingham B23 6SZ
Solicitors	Carter Lemon Camerons LLP 3rd Floor, 20 King Street London EC2V 8EG

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

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

The trustees' annual report was approved on 2/12/22 and signed on behalf of the board of trustees by:

Susan M Edmondson

S Edmondson
Chair

Lee Abbey Household Communities

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Household Communities

Year ended 30 April 2022

Opinion

We have audited the financial statements of Lee Abbey Household Communities (the 'charity') for the year ended 30 April 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 30 April 2022 and of its incoming resources and application of resources, including 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 Companies Act 2006 and 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.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

DCresswell

David Cresswell BA FCA (Senior statutory auditor)
Westcotts (SW) LLP
Chartered accountants & statutory auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

2/12/22

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 30 April 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments					
Donations and legacies	**5**	28,776	38,174	**66,950**	46,992
Charitable activities	**6**	15,339	–	**15,339**	25,695
Investment income	**7**	–	–	–	63
Total income		44,115	38,174	**82,289**	72,750
Expenditure					
Expenditure on charitable activities	**8,9**	45,858	19,648	**65,506**	62,202
Total expenditure		45,858	19,648	**65,506**	62,202
Net income and net movement in funds		(1,743)	18,526	**16,783**	10,548
Reconciliation of funds					
Total funds brought forward		416,794	28,373	**445,167**	434,619
Total funds carried forward		415,051	46,899	**461,950**	445,167

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Position

30 April 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	**14**		**340,182**	349,831
Current assets				
Debtors	**15**	**850**		160
Cash at bank and in hand		**123,215**		97,026
		124,065		97,186
Creditors: amounts falling due within one year	**16**	**(2,297)**		(1,850)
Net current assets			**121,768**	95,336
Total assets less current liabilities			**461,950**	445,167
Net assets			**461,950**	445,167
Funds of the charity				
Restricted funds			**46,899**	28,373
Unrestricted funds			**415,051**	416,794
Total charity funds	**17**		**461,950**	445,167

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

These financial statements were approved by the board of trustees and authorised for issue on 21/12/22, and are signed on behalf of the board by:

Susan M. Edmondson

Mrs S Edmondson
Director

The notes on pages 14 to 22 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 April 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	**16,783**	10,548
Adjustments for:		
Depreciation of tangible fixed assets	**9,649**	9,649
Other interest receivable and similar income	**–**	(63)
Accrued expenses	**447**	150
Changes in:		
Trade and other debtors	**(690)**	53
Cash generated from operations	**26,189**	20,337
Interest received	**–**	63
Net cash from operating activities	**26,189**	20,400
Net increase in cash and cash equivalents	**26,189**	20,400
Cash and cash equivalents at beginning of year	**97,026**	76,626
Cash and cash equivalents at end of year	**123,215**	97,026

The notes on pages 14 to 22 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Lee Abbey, Lynton, Devon, EX35 6JJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the FRS102 SORP, and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS102 SORP

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and which the charity may use for its purpose at its discretion.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

3. **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	- 2.5% reducing balance

Freehold land is not depreciated.

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	- 20-50 years straight line
Fixtures and Fittings	- 4 years straight line
Motor Vehicles	- 4 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Lee Abbey Household Communities is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Donations			
Donations	13,329	–	**13,329**
Donations from Lee Abbey Movement	15,447	–	**15,447**
Grants			
Grants receivable - Diocese of Exeter	–	38,174	**38,174**
	28,776	38,174	**66,950**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	7,992	–	7,992
Donations from Lee Abbey Movement	22,000	–	22,000
Grants			
Grants receivable – Diocese of Exeter	–	17,000	17,000
	29,992	17,000	46,992

6. Charitable activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Contributions from Communities	15,339	**15,339**	25,695	25,695

7. Investment income

	Restricted Funds £	**Total Funds 2022 £**	Restricted Funds £	Total Funds 2021 £
Bank interest receivable	–	–	63	63

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Christian faith ministries	41,468	19,648	**61,116**
Support costs	4,390	–	**4,390**
	45,858	19,648	**65,506**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Christian faith ministries	44,608	9,452	54,060
Support costs	8,142	–	8,142
	52,750	9,452	62,202

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2022 £**	Total fund 2021 £
Christian faith ministries	61,116	4,390	**65,506**	62,202

10. Analysis of support costs

	Analysis of support costs activity 1	**Total 2022**	Total 2021
	£	**£**	£
Premises	1,990	**1,990**	1,950
Communications and IT	–	**–**	3,792
Human resources	2,400	**2,400**	2,400
	4,390	**4,390**	8,142

11. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	**9,649**	9,649

12. Staff costs

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	**1**	1

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

13. Trustee remuneration and expenses

During the year Trustees' did not receive any remuneration and other emoluments (2021: £NIL).

14. Tangible fixed assets

	Land and buildings £
Cost	
At 1 May 2021 and 30 April 2022	**426,830**
Depreciation	
At 1 May 2021	**76,999**
Charge for the year	**9,649**
At 30 April 2022	**86,648**
Carrying amount	
At 30 April 2022	**340,182**
At 30 April 2021	349,831

15. Debtors

	2022 £	2021 £
Other debtors	**850**	160

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	**2,297**	1,850

17. Analysis of charitable funds

Unrestricted funds

	At 1 May 2021 £	Income £	Expenditure £	Transfers £	**At 30 April 2022 £**
General funds	66,963	44,115	(36,209)	–	**74,869**
Designated Property Reserve	349,831	–	(9,649)	–	**340,182**
	416,794	44,115	(45,858)	–	**415,051**

	At 1 May 2020 £	Income £	Expenditure £	Transfers £	At 30 April 2021 £
General funds	413,857	55,687	(52,750)	(349,831)	66,963
Designated Property Reserve	–	–	–	349,831	349,831
	413,857	55,687	(52,750)	–	416,794

Restricted funds

	At 1 May 2021 £	Income £	Expenditure £	Transfers £	**At 30 April 2022 £**
Aston Development	20,825	–	–	–	**20,825**
Ford Payroll Support	7,548	38,174	(19,648)	–	**26,074**
	28,373	38,174	(19,648)	–	**46,899**

	At 1 May 2020 £	Income £	Expenditure £	Transfers £	At 30 April 2021 £
Aston Development	20,762	63	–	–	20,825
Ford Payroll Support	–	17,000	(9,452)	–	7,548
	20,762	17,063	(9,452)	–	28,373

Purposes of restricted funds

The Aston Development fund is a fund to pay for the redevelopment of the Aston Buildings.

Ford Payroll Support is to fund the wages of the staff member in Plymouth.

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Tangible fixed assets	340,182	–	**340,182**
Current assets	77,166	46,899	**124,065**
Creditors less than 1 year	(2,297)	–	**(2,297)**
Net assets	415,051	46,899	**461,950**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	349,831	–	349,831
Current assets	66,963	28,373	95,336
Creditors less than 1 year	–	–	–
Net assets	416,794	28,373	445,167

19. Analysis of changes in net debt

	At 1 May 2021 £	Cash flows £	**At 30 Apr 2022 £**
Cash at bank and in hand	97,026	26,189	**123,215**

20. Related parties

The charity is part of the group known as The Lee Abbey Movement and has transactions with other group members. These comprise:

- payments from The Lee Abbey Movement of £15,447 (2021 - £20,900)

- payments to The Lee Abbey Movement of £2,400 (2021 - £2,400)

- balance owed to Lee Abbey Movement of £377 (2021 - £Nil)

21. Controlling party

Ultimate parent undertaking

The holding company is The Lee Abbey Movement which is the sole guarantor of this company. The liability of the guarantor is limited to £10.

Consolidated accounts are available on request from the registered office.

Lee Abbey Household Communities

Company Limited by Guarantee

Management Information

Year ended 30 April 2022

The following pages do not form part of the financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 30 April 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Donations	**13,329**	7,992
Donations from Lee Abbey Movement	**15,447**	22,000
Grants receivable – Diocese of Exeter	**38,174**	17,000
	66,950	46,992
Charitable activities		
Contributions from Communities	**15,339**	25,695
Investment income		
Bank interest receivable	**–**	63
Total income	**82,289**	72,750
Expenditure		
Expenditure on charitable activities		
Wages and salaries	**17,453**	9,452
Rates and water	**8,112**	8,719
Repairs and maintenance	**9,974**	11,987
Other establishment	**15,595**	12,303
Legal and professional fees	**1,990**	1,950
Other office costs	**177**	5,592
Depreciation	**9,649**	9,649
Contribution to Lee Abbey Movement	**2,400**	2,400
Bank Charges	**156**	150
	65,506	62,202
Total expenditure	**65,506**	62,202
Net income	**16,783**	10,548

LEE ABBEY HOUSEHOLD COMMUNITIES

England & Wales - Charity number 1053813

Accounts

COMPANY REGISTRATION NUMBER: 03137720
CHARITY REGISTRATION NUMBER: 1053813

Lee Abbey Household Communities

Company Limited by Guarantee

Financial Statements

30 April 2021

Lee Abbey Household Communities

Company Limited by Guarantee

Financial Statements

Year ended 30 April 2021

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Lee Abbey Household Communities

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 April 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 April 2021.

Objectives and activities
The charity's objects are the advancement of the Christian faith worldwide through the ministry of communities of Christians whose shared lives in the fellowship of the Holy Spirit communicate the love of God revealed in Jesus Christ and for the relief of the needs of those living or working in the local area served by local Christian churches.

These objects are currently fulfilled through Small Missional Communities in Aston (Birmingham) and Knowle West (Bristol). These SMCs are places for prayer and healing and, through a variety of ministries offered by Community Members, provide valuable support to local churches and their communities.

The participation and prayer support of the Lee Abbey Friends continues to be a powerful tool for meeting these objectives.

Achievements and performance
During the year 2020-21, the new leaders of the Knowle West community took up their roles. (Philip and Ruth Nott holding the post jointly) There was some turnover of members and the community now numbers 4.

The Aston community continues to engage in mission in the local area, though the membership has not grown.

In Autumn 2020 in the formation of a new four-person community led by Margaret Warne was established in Ford Plymouth in partnership with the Diocese of Exeter.

Going Concern
COVID-19 has had a significant impact on the activities of the charity during the year and the Trustees expect that the effects of the pandemic will continue to be felt during the financial year ending 30 April 2022. The impact on future performance and on the measurement of certain assets and liabilities and on liquidity might be significant and may require further disclosure in future financial statements.

The Trustees have reviewed various scenarios and evaluated management actions to ensure the safety of its communities and to mitigate the effects of the pandemic on the charity's activities. They have determined that when the accounts were prepared there was not a material uncertainty that casts significant doubt on the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit
In setting our objectives and reviewing the activities of the two household communities we have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of religion.

Both Knowle West and the Aston communities are ministering in areas in Birmingham and Bristol where there are significant needs. In all their activities the communities have been seeking to communicate the love of God in Jesus Christ through their ministry and have done much valuable work in relieving the needs of those living and/or working in the areas served by the local churches in a wide variety of ways, some of which have been referred to in this report. Most of their work is in benefiting those at the lower end of the income scale; and no one is debarred by their financial circumstances from benefiting from the ministry of the SMCs.

Having carefully reviewed the activities carried out by the Knowle West and Aston Communities in furtherance of this charity's object, we have concluded that those activities are of clear and significant public benefit.

Financial review

Overall Covid has not affected the Small missional communities since they each function as a household which is self-financing and does not depend on external funding although regular donations are welcome. Their mission and ministry has experienced limitations, but now each community is emerging from the pandemic and celebrating the opportunities for local mission and engagement..

There was a net inflow of unrestricted funds of £2,937 (2020: outflow £9,347) and a net inflow of restricted funds of £7,611 (2020: net inflow £151).

Principal Funding Sources
Our principal funding source continues to be donations £46,992 (2020: £24,665) and contributions from the Communities £25,695 (2020: £15,734). We continue to be very grateful to our supporters (including those who are Lee Abbey Friends) for donations received.

Reserves
Lee Abbey Household Communities seek to maintain liquid unrestricted funds at the level of at least three months planned expenditure, which provides sufficient funds to cover unexpected costs and other expenditure, which arise from time to time. At the year-end there was 8 months of expenditure in cash and free reserves (2020 - 8).

The trustees have agreed to designate £349,831 to a Designated Property Reserve to better illustrate to users of the accounts what "free" reserves are available. As most of the unrestricted reserves are made up of property (which is used as part of the charitable objectives, it was felt that an element of this should be designated and shown separately.

Investment Powers, Policy and Performance
Under the Memorandum and Articles of Association the charity has power to make any investment which the trustees see fit. The trustees make and hold investments using the general funds of the Communities.

Plans for future periods

The trustees will continue to seek new opportunities to establish SMCs either directly or in partnership with other suitable bodies.

Qualifying indemnity provision

The trustees (who are also the directors of Lee Abbey Household Communities for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of of the company for that period.

Structure, governance and management

Appointment of Trustees
As set out in the Articles of Association the Board of Trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee providing that he or she is recommended by the Board of Trustees and the agreement of the Holding Charity has been given. A trustee so appointed will hold office only until the following Annual General Meeting.

Trustee Induction and Training
New trustees are encouraged to spend time with the chair of Board, who will guide them through the induction process which includes time with the senior management team.

Organisation
The Board of Trustees administers the Charity. The trustees have delegated the day to day management of the operations of the Charity to the leaders of the Small Missional Communities (Households) and the Chairs of their Local Support Groups (LSG).

Governance and Internal Control
During the year, management and trustees kept under review the financial and other risks of the Small Missional Communities (Households) and the Charity. All risks are managed as part of the on-going operation of the Charity.

In July 2013, The Council of Lee Abbey Movement agreed, on the recommendation of the Household Communities Board, that in future Households should be known as Small Missional Communities (SMCs) and the Household Board as the Small Missional Communities Board.

Reference and administrative details

Registered charity name	Lee Abbey Household Communities
Charity registration number	1053813
Company registration number	03137720
Principal office and registered office	Lee Abbey Lynton Devon EX35 6JJ

The trustees

S Edmondson	Chair
Revd M C Bishop	
Revd Dr G R Cappleman	
Ven Dr A J Jolley	
Revd C McIlfroy	
Mr R Pool	

Company secretary	M Proctor
Auditor	Thomas Westcott Chartered accountants & statutory auditor 96 High Street Ilfracombe Devon EX34 9NH
Bankers	Lloyds Bank Plc 207 High Street Erdington Birmingham B23 6SZ
Solicitors	Carter Lemon Camerons 10 Aldersgate St London EC1A 4HJ

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

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

The trustees' annual report was approved on ...3/12/21..... and signed on behalf of the board of trustees by:

M Proctor
Charity Secretary

Lee Abbey Household Communities

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Household Communities

Year ended 30 April 2021

Opinion

We have audited the financial statements of Lee Abbey Household Communities (the 'charity') for the year ended 30 April 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 FRS 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 30 April 2021 and of its incoming resources and application of resources, including 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 Companies Act 2006 and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibility and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

David Cresswell BA FCA

Thomas Westcott

For and on behalf of;
Thomas Westcott
Chartered Accountants & statutory auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

3/12/21

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 30 April 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments					
Donations and legacies	5	29,992	17,000	**46,992**	24,665
Charitable activities	6	25,695	–	**25,695**	15,734
Investment income	7	–	63	**63**	153
Total income		55,687	17,063	**72,750**	40,552
Expenditure					
Expenditure on charitable activities	8,9	52,750	9,452	**62,202**	49,748
Total expenditure		52,750	9,452	**62,202**	49,748
Net income/(expenditure) and net movement in funds		2,937	7,611	**10,548**	(9,196)
Reconciliation of funds					
Total funds brought forward		413,857	20,762	**434,619**	443,815
Total funds carried forward		416,794	28,373	**445,167**	434,619

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 21 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Financial Position

30 April 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	14		**349,831**	359,480
Current assets				
Debtors	15	**160**		213
Cash at bank and in hand		**97,026**		76,626
		97,186		76,839
Creditors: amounts falling due within one year	16	**1,850**		1,700
Net current assets			**95,336**	75,139
Total assets less current liabilities			**445,167**	434,619
Net assets			**445,167**	434,619
Funds of the charity				
Restricted funds			**28,373**	20,762
Unrestricted funds			**416,794**	413,857
Total charity funds	17		**445,167**	434,619

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

These financial statements were approved by the board of trustees and authorised for issue on 3rd December 2021 and are signed on behalf of the board by:

Susan M Edmondson
Susan M Edmondson (Dec 6, 2021 08:47 GMT)

Mrs S Edmondson
Director

The notes on pages 14 to 21 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 April 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income/(expenditure)	**10,548**	(9,196)
Adjustments for:		
Depreciation of tangible fixed assets	**9,649**	9,649
Other interest receivable and similar income	**(63)**	(153)
Accrued expenses	**150**	25
Changes in:		
Trade and other debtors	**53**	31
Cash generated from operations	**20,337**	356
Interest received	**63**	153
Net cash from operating activities	**20,400**	509
Net increase in cash and cash equivalents	**20,400**	509
Cash and cash equivalents at beginning of year	**76,626**	76,117
Cash and cash equivalents at end of year	**97,026**	76,626

The notes on pages 14 to 21 form part of these financial statements.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 April 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Lee Abbey, Lynton, Devon, EX35 6JJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the FRS102 SORP, and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS102 SORP

Going concern

As note in the Trustees' Annual Report, there are no material uncertainties that casts significant doubts on the charity's ability to continue as a going concern for the foreseeable future.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and which the charity may use for its purpose at its discretion.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

3. **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	- 2.5% reducing balance

Freehold land is not depreciated.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

3. **Accounting policies** *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Lee Abbey Household Communities is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Donations			
Donations	7,992	–	**7,992**
Donations from Lee Abbey Movement	22,000	–	**22,000**
Grants			
Grants receivable - Plymouth Diocese	–	17,000	**17,000**
	29,992	17,000	**46,992**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	9,665	–	9,665
Donations from Lee Abbey Movement	15,000	–	15,000
Grants			
Grants receivable - Plymouth Diocese	–	–	–
	24,665	–	24,665

6. Charitable activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Contributions from Communities	25,695	**25,695**	15,734	15,734

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Bank interest receivable	–	63	**63**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Bank interest receivable	2	151	153

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Christian faith ministries	44,608	9,452	**54,060**
Support costs	8,142	–	**8,142**
	52,750	9,452	**62,202**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Christian faith ministries	45,583	–	45,583
Support costs	4,165	–	4,165
	49,748	–	49,748

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2021 £**	Total fund 2020 £
Christian faith ministries	54,060	8,142	**62,202**	49,748

10. Analysis of support costs

	Analysis of support costs £	**Total 2021 £**	Total 2020 £
Premises	1,950	**1,950**	1,765
Communications and IT	3,792	**3,792**	–
Human resources	2,400	**2,400**	2,400
	8,142	**8,142**	4,165

11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	**9,649**	9,649

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	**9,452**	–

No salaries or wages have been paid to the members of the committee during the year.

The average head count of employees during the year was 1 (2020: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of staff - type 1	**1**	–

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

During the year Trustees' received remuneration and other emoluments of £Nil (2020: £2,000).

14. Tangible fixed assets

	Land and buildings £
Cost	
At 1 May 2020 and 30 April 2021	**426,830**
Depreciation	
At 1 May 2020	**67,350**
Charge for the year	**9,649**
At 30 April 2021	**76,999**
Carrying amount	
At 30 April 2021	**349,831**
At 30 April 2020	359,480

15. Debtors

	2021	2020
	£	£
Other debtors	**160**	213

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	**1,850**	1,700

17. Analysis of charitable funds

Unrestricted funds

	At 1 May 2020	Income	Expenditure	Transfers	At 30 April 2021
	£	£	£	£	£
General funds	413,857	55,687	(52,750)	(349,831)	**66,963**
Designated Property Reserve	–	–	–	349,831	**349,831**
	413,857	55,687	(52,750)	–	**416,794**

	At 1 May 2019	Income	Expenditure	Transfers	At 30 April 2020
	£	£	£	£	£
General funds	423,204	40,401	(49,748)	–	413,857
Designated Property Reserve	–	–	–	–	–
	423,204	40,401	(49,748)	–	413,857

Restricted funds

	At 1 May 2020	Income	Expenditure	At 30 April 2021
	£	£	£	£
Aston Development	20,762	63	–	**20,825**
Ford Payroll Support	–	17,000	(9,452)	**7,548**
	20,762	17,063	(9,452)	**28,373**

	At 1 May 2019	Income	Expenditure	At 30 April 2020
	£	£	£	£
Aston Development	20,611	151	–	20,762
Ford Payroll Support	–	–	–	–
	20,611	151	–	20,762

Purposes of restricted funds

The Aston Development fund is a fund to pay for the redevelopment of the Aston Buildings.
Ford Payroll Support is to fund the wages of the staff member in Plymouth.

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Tangible fixed assets	349,831	–	**349,831**
Current assets	66,963	28,373	**95,336**
Net assets	416,794	28,373	**445,167**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	359,480	–	359,480
Current assets	54,377	20,762	75,139
Net assets	413,857	20,762	434,619

19. Analysis of changes in net debt

	At 1 May 2020 £	Cash flows £	**At 30 Apr 2021 £**
Cash at bank and in hand	76,626	20,400	**97,026**

20. Related parties

The charity is part of the group known as The Lee Abbey Movement and has transactions with other group members. These comprise:

- payments from The Lee Abbey Movement of £20,900 (2020 - £15,000)

- payments to The Lee Abbey Movement of £2,400 (2020 - £2,400)

21. Controlling party

Ultimate parent undertaking

The holding company is The Lee Abbey Movement which is the sole guarantor of this company. The liability of the guarantor is limited to £1.

Consolidated accounts are available on request from the registered office.