

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.

Lee Abbey Household Communities

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

Year ended 30 April 2022

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.

Lee Abbey Household Communities

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

Year ended 30 April 2022

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.

Lee Abbey Household Communities

Company Limited by Guarantee

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

Year ended 30 April 2022

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

Lee Abbey Household Communities

Company Limited by Guarantee

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

Year ended 30 April 2022

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.

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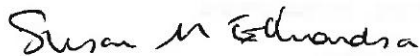
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 April 2022

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 21/2/22..... and signed on behalf of the board of trustees by:



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.

Lee Abbey Household Communities

Company Limited by Guarantee

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

Year ended 30 April 2022

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.

Lee Abbey Household Communities

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

Year ended 30 April 2022

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.

Lee Abbey Household Communities

Company Limited by Guarantee

Independent Auditor's Report to the Members of Lee Abbey Household Communities *(continued)*

Year ended 30 April 2022


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 (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

		2022	2021		
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
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		<u>44,115</u>	<u>38,174</u>	<u>82,289</u>	<u>72,750</u>
Expenditure					
Expenditure on charitable activities	8,9	45,858	19,648	65,506	62,202
Total expenditure		<u>45,858</u>	<u>19,648</u>	<u>65,506</u>	<u>62,202</u>
Net income and net movement in funds					
		<u>(1,743)</u>	<u>18,526</u>	<u>16,783</u>	<u>10,548</u>
Reconciliation of funds					
Total funds brought forward		416,794	28,373	445,167	434,619
Total funds carried forward		<u>415,051</u>	<u>46,899</u>	<u>461,950</u>	<u>445,167</u>

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
		<u>124,065</u>	<u>97,186</u>
Creditors: amounts falling due within one year	16	<u>(2,297)</u>	<u>(1,850)</u>
Net current assets		<u>121,768</u>	<u>95,336</u>
Total assets less current liabilities		<u>461,950</u>	<u>445,167</u>
Net assets		<u>461,950</u>	<u>445,167</u>
Funds of the charity			
Restricted funds		46,899	28,373
Unrestricted funds		<u>415,051</u>	<u>416,794</u>
Total charity funds	17	<u>461,950</u>	<u>445,167</u>

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
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	9,649	9,649
Other interest receivable and similar income	—	(63)
Accrued expenses	447	150
<i>Changes in:</i>		
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.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 April 2022

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.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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
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Freehold land is not depreciated.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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
	<u>28,776</u>	<u>38,174</u>	<u>66,950</u>
	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
	<u>29,992</u>	<u>17,000</u>	<u>46,992</u>

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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
	<u>4,390</u>	<u>4,390</u>	<u>8,142</u>

11. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>9,649</u>	<u>9,649</u>

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	<u>1</u>	<u>1</u>

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).

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 30 April 2022

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
	<u>416,794</u>	<u>44,115</u>	<u>(45,858)</u>	<u>—</u>	<u>415,051</u>

	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
	<u>413,857</u>	<u>55,687</u>	<u>(52,750)</u>	<u>—</u>	<u>416,794</u>

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
	<u>28,373</u>	<u>38,174</u>	<u>(19,648)</u>	<u>—</u>	<u>46,899</u>

	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
	<u>20,762</u>	<u>17,063</u>	<u>(9,452)</u>	<u>—</u>	<u>28,373</u>

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.

Lee Abbey Household Communities

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 April 2022

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
	<u>66,950</u>	<u>46,992</u>
Charitable activities		
Contributions from Communities	15,339	25,695
	<u>15,339</u>	<u>25,695</u>
Investment income		
Bank interest receivable	—	63
	<u>—</u>	<u>63</u>
Total income	<u>82,289</u>	<u>72,750</u>
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
	<u>65,506</u>	<u>62,202</u>
Total expenditure	<u>65,506</u>	<u>62,202</u>
Net income	<u>16,783</u>	<u>10,548</u>