

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



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 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 Palairret, (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.

Lee Abbey Household Communities

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.

Lee Abbey Household Communities

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.

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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		<u>42,761</u>	<u>-</u>	<u>42,761</u>	<u>46,231</u>
Expenditure on:					
Charitable activities	6	<u>(46,539)</u>	<u>(8,650)</u>	<u>(55,189)</u>	<u>(73,268)</u>
Total expenditure		<u>(46,539)</u>	<u>(8,650)</u>	<u>(55,189)</u>	<u>(73,268)</u>
Net expenditure		(3,778)	(8,650)	(12,428)	(27,037)
Transfers between funds		<u>1,168</u>	<u>(1,168)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(2,610)	(9,818)	(12,428)	(27,037)
Reconciliation of funds					
Total funds brought forward		<u>404,270</u>	<u>30,643</u>	<u>434,913</u>	<u>461,950</u>
Total funds carried forward	14	<u>401,660</u>	<u>20,825</u>	<u>422,485</u>	<u>434,913</u>

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.

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

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		<u>103,416</u>	<u>105,726</u>
		103,901	106,420
Creditors: Amounts falling due within one year	13	<u>(2,300)</u>	<u>(2,040)</u>
Net current assets		<u>101,601</u>	<u>104,380</u>
Net assets		<u>422,485</u>	<u>434,913</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		20,825	30,643
Unrestricted income funds			
Unrestricted funds		<u>401,660</u>	<u>404,270</u>
Total funds	14	<u>422,485</u>	<u>434,913</u>

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

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

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	<u>(1,378)</u>	<u>(32)</u>
		(4,157)	(17,420)
Working capital adjustments			
Decrease in debtors	12	209	156
Increase/(decrease) in creditors	13	<u>260</u>	<u>(257)</u>
Net cash flows from operating activities		(3,688)	(17,521)
Cash flows from investing activities			
Interest receivable and similar income	5	<u>1,378</u>	<u>32</u>
Net decrease in cash and cash equivalents		(2,310)	(17,489)
Cash and cash equivalents at 1 May		<u>105,726</u>	<u>123,215</u>
Cash and cash equivalents at 30 April		<u>103,416</u>	<u>105,726</u>

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.

Lee Abbey Household Communities

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.

Lee Abbey Household Communities

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

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.

Lee Abbey Household Communities

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

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.

Lee Abbey Household Communities

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

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
	<u>23,147</u>	<u>23,147</u>

	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
	<u>30,353</u>	<u>2,000</u>	<u>32,353</u>

Lee Abbey Household Communities

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

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

Lee Abbey Household Communities

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

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
	<u>5,660</u>	<u>5,660</u>	<u>4,910</u>

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>9,649</u>	<u>9,649</u>

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	<u>8,650</u>	<u>16,256</u>

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

	2024 No	2023 No
Number of staff	<u>1</u>	<u>1</u>

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

Lee Abbey Household Communities

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

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

Lee Abbey Household Communities

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

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.

Lee Abbey Household Communities

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

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	<u>401,660</u>	<u>20,825</u>	<u>422,485</u>

	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	<u>404,270</u>	<u>30,643</u>	<u>434,913</u>

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.

