

The Friars, Aylesford

Annual Report and Consolidated Financial Statements

Year ended 31 December 2020

Charity Registration Number
1068518

Company Registration Number
03487590 (England and Wales)

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Reference and administrative details of the Charity, its Trustees and its advisers

Trustees	The following Trustees have served since 1 January 2019, except where indicated: Rev Brendan Grady, O. Carm. Rev Patrick O’Keeffe, O. Carm. Rev Francis Kemsley, O.Carm. Rev Kevin Alban, O Carm. (deceased 4 May 2021) Isabel Kernthaler
Advisers to the Trustees	Mr Jonathan Louth Mrs Jan Wilkinson
Secretary	Mrs Clare Abbolson
Registered office	The Friars Aylesford Kent ME20 7BX
Charity registration number	1068518
Company registration number	03487590 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	The Royal Bank of Scotland plc 62/63 Threadneedle Street London EC2R 8LA
Solicitors	Pothecary Witham Weld 70 St George’s Square London SW1V 3RD

FOREWORD

In this year 2020, like everyone we have experienced the dramatic contrast between plans and reality. All of us at The Friars were faced with unforeseen challenges. It was daunting, stressful, emotional, and depressing but it also gave us a perspective of the important things in life and the people to be grateful for. Our world was turned upside down and our business and Charity had to endure unexpected changes and we still continue to adapt to the challenges.

Personally, I have taken great inspiration from the ways our staff, volunteers, the Friars' community and most importantly, our customers and supporters, have dealt with these unprecedented times. They have done so with the full power of our values of resolve, adaptability, and dignity.

We had a strong start to 2020 and income received between the months of January and March far exceeded the income for the same period in 2019. When Coronavirus hit, we had to temporarily close our entire operation, but our Estates team continued to refurbish some of our bedrooms and brought them up to a high standard. Others in our team continued working remotely and several staff were furloughed. Our Tea Room and Gift Shop reopened for trade in July 2020 with social distancing guidelines fully in place. We did our bit in keeping other overhead costs to the bare minimum.

We said farewell to some of our colleagues during the restructure and we are a much smaller team now but, without a doubt, the size of our ambition has not changed. We are grateful for the support of our now former colleagues and wish them well for the future.

If the pandemic has taught us anything, it is the value of people and the importance of kindness, and it has reminded us of what we can achieve when we work together. As we strive together to maintain and rebuild our business, let us remain thankful to the Carmelite Charitable Trust for its financial support in keeping our doors open. I am thankful to all staff, our volunteers and to the benefactors who have made generous donations or left legacies to enable the Charity to continue to operate. Our legacy income for the year 2020 was very generous in comparison to 2019.

My thanks go to our trustees and advisors for their continued support. It is down to all of them that The Friars, Aylesford has continued to thrive despite the difficult circumstances that 2020 has brought.

I would also like to acknowledge Father Kevin Alban, Prior Provincial of the British Province who sadly died on 4 May 2021. Father Kevin was Chair of the Board of Trustees and a Director and the contribution and energy he brought will be sorely missed

The financial position of our business and Charity has been weakened and we face many challenges of course, but we pledge to embrace the new ways of working and explore the trading opportunities that the new year will bring.

The future is uncertain, but what remains true is our resolute belief that the Carmelite mission of welcome and hospitality is fulfilled.

Pearl Nyafli

Operations & Business Development Manager

Trustees' report Year ended 31 December 2020

The Trustees, who are the directors for the purposes of company law, are pleased to present their statutory report together with the consolidated financial statements of The Friars, Aylesford (the "Charity") and its subsidiary Aylesford Priory Limited for the year ended 31 December 2020. This report has been prepared in accordance with part VI of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 40 to 45 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

These financial statements consolidate the activities of The Friars, Aylesford and its wholly owned subsidiary Aylesford Priory Limited. The subsidiary company, which manages the commercial activities, has been trading since 1 January 2010.



The Friars, Aylesford

Historic Overview

Aylesford Priory is the site of one of the earliest Carmelite communities in England, founded in 1242. At the Reformation, following the dispersal of the religious community, the church was demolished but a significant amount of the medieval domestic buildings survived by being incorporated into a country house. The remaining buildings and land were purchased back by the Carmelite Order in 1949 and an extensive programme of renovation and new building was undertaken.

Aylesford Priory is now a 44 acre site of significant religious and historical interest, attracting around 100,000 to 120,000 visitors in a more typical year. At its heart is a major religious shrine, the Shrine of Our Lady of Mount Carmel and St Simon Stock. The open air Marian shrine has a wide piazza which has room for up to 6,000 pilgrims, and a series of five linked chapels of varying sizes.

Historic Overview (continued)

Our surviving medieval buildings are now partly used as a home to some members (friars) of the Carmelite Community, the remainder forming part of our hospitality facilities, our guest house and conference suite, which with additional newer buildings can now accommodate up to 100 visitors. The site also has a tea room and a gift shop located in a refurbished 16th century thatched barn, and some auxiliary buildings which are offered for rental to individuals and local businesses.

From 1949 Aylesford Priory formed a part of a Carmelite Trust, which covered England and Wales. However, in 1997, the management of Aylesford Priory was devolved to a separate charitable company, The Friars, Aylesford. The ownership of the site and buildings remains with the overall charity, namely the Carmelite Charitable Trust but the administration, the maintenance and the development of the site and the management of the commercial activities have been entrusted to The Friars, Aylesford, and its wholly owned subsidiary company, Aylesford Priory Limited.

Objectives and Activities

The purpose of The Friars, Aylesford, as set out in the Memorandum of Association, is primarily to maintain and develop the Aylesford Priory site as a Marian shrine and retreat/conference centre at the service of the Roman Catholic community as well as other churches, groups and individuals who wish to use the facilities. The trustees have given careful consideration to how activities of The Friars meet their statutory duty and have considered the Charity Commission's guidance on public benefit. This report sets out how our activities benefit those who visit The Friars, Aylesford Priory, as well as the local and wider community affected by our presence and outreach activities.

Our Vision

A meeting place and centre of Christian spirituality with a Carmelite community at its heart; a space where people of all ages and all faiths and none, will find a welcome, where the sacred is expressed through prayer, the arts and nature.

Be still and know that I am God (Ps 46.10)

Our Mission

- ◆ To work in partnership with others
- ◆ To be inclusive
- ◆ To act responsibly as stewards of the buildings and the physical environment
- ◆ To be accountable to all our stakeholders

Our Values

Love one another as I have loved you
(Jn 15.12)

Trustees' report Year ended 31 December 2020

Our Objectives


- ◆ Such charitable purposes which advance the Roman Catholic religion in any part of Great Britain.
- ◆ To promote for the benefit of the public the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford.







Our Ethos

- ◆ We derive our values from the life, message and teachings of Jesus Christ and our inspiration comes from our patrons, the prophet Elijah, the Blessed Virgin Mary and the saints of the Carmelite Family.
- ◆ The basis of our work is an expression of our commitment to serve the people through friendship, hospitality and a desire to live out the values that Christ preached.

Principal Activities

The Friars, Aylesford principal activities and whether they meet our key objectives of partnership, inclusivity, stewardship and accountability are detailed in the table below. A grey

tick  indicates objectives not fully achieved due to the pandemic.

Daily Visitors	During the pandemic, the site was opened for approximately 205 days and for the remainder of the days it was shut due to national lockdown Covid-19 restrictions. Masses were held four times a week when restrictions got lifted.			
	Partnership	Inclusivity	Stewardship	Accountability
				
Pilgrimages	Ordinarily, we would have a comprehensive programme welcoming between 21 national and international pilgrimage groups of various sizes (100 to 2,000 people) to our shrine as a place of prayer, offering a meeting place and centre of spirituality. Due to the Covid-19 pandemic all pilgrimages were cancelled in line with government guidelines. A pilgrimage secretary and sacristan are employed to look after our visiting groups and to encourage bookings. They work with Catholic dioceses or societies, and a variety of Christian denominations, including Primary and Secondary Schools, Adult Education, University of the Third Age, Groups with Disabilities and Special Needs. There are no fees for these bookings; however, voluntary donations are often received. During 2020, sacristy work was carried out by the Carmelites due to the Sacristan leaving.			
	Partnership	Inclusivity	Stewardship	Accountability
				

Principal Activities (continued)

Educational Tour Groups	We offer educational tours for groups covering the history of the Carmelite Order here at Aylesford, the art work, and the development of Aylesford Priory. These tours are of interest to historical, art, and other educational groups and we often welcome foreign groups visiting the UK. There are no fees for these bookings; however, voluntary donations are occasionally received. Once again there were no educational tours due to the impact of the pandemic.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Schools Programme	We have a Schools programme, offering guidelines and resources to support teachers and other adults who bring groups of children and young people to Aylesford. Some of the information provided is linked to the National Curriculum or Religious Education programmes of study. The programme has been designed to support spiritual, moral, social and cultural education. There are no fees for the Schools programmes. No schools programme was able to be carried out in 2020.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Outreach Programme for Schools and Young Adults	Building on the relationship forged with Southwark Catholic Youth Service (SCYS), they and the Carmelite community have developed a partnership to provide away days for schools. The programme aims to provide a pilgrim experience and support the development of our young people. The site allows many different aspects of Christian faith to be explored through the environment, art, history, prayer, and liturgy. The Carmelite Order has a strong tradition of welcoming pilgrims to their home and ministering to their needs. Southwark Catholic Youth Service, through its work at St Vincent's Centre in Whitstable, has been providing residential retreats for young people over the last 10 years; the model of peer ministry has kept its pastoral care alive, vibrant, and relevant in its mission to help young people encounter Christ. There are no fees to The Friars for these outreach programmes. Once again, the pandemic in 2020 prevented the SCYS from visiting.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	

Principal Activities (continued)

Retreats	<p>We offer a place of retreat for individuals and groups. Members of the Carmelite Community (the friars) often work alongside groups that come to stay at The Friars, Aylesford, and individuals are welcome to join community worship. As well as this work, the friars organise a number of retreats each year which are open to anyone who wishes to participate. These scheduled retreats include formal talk/discussion periods, quiet time and joining the community services. A charge is made to cover the hospitality costs and any speaker fees. The number of people coming for organised residential retreats is declining so we are focussing more on the day groups. Two-day retreats and Lent evening talks took place between January and March 2020 before the lockdown began.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Fundraising Activities	<p>In order to maintain the historic buildings at The Friars and to financially support the free pastoral offers to visitors, there is a continued programme of fundraising events. These include a Summer and Christmas Fayre, musical and dramatic productions. In 2020, the pandemic prevented us from holding any fayres. Despite the pandemic, we distributed approximately 22,000 newsletters to around 6,500 people and we have an informative website and regular social media presence including invitations to, and reviews of, events. We do not use professional fundraisers or participators.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Maintenance and Restoration	<p>We review, plan, and invest in the presentation, upkeep and maintenance of the grounds, buildings, and facilities to provide a comfortable, safe, accessible environment for all our guests, Carmelite community, staff, and volunteers. During the pandemic, refurbishment work on our guest room continued and some chapel roofs were repaired.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	✓

Principal Activities (continued)

Commercial Trading (Aylesford Priory Limited)	<p>Aylesford Priory Limited, Company Registration Number 06740190 (England and Wales), is a wholly owned subsidiary of The Friars, Aylesford.</p> <p>The company's principal activity is to provide a profit on commercial activities at Aylesford Priory to financially support: the pastoral activity of the Charity; the promotion of the benefit to the public; and the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford.</p> <p>The trading activity is primarily the provision of conference facilities, guests' catering and accommodation, events, and sale of books, gifts, and refreshments. Trading activity was curtailed significantly in 2020 by the pandemic.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
		✓	✓	✓

Volunteers

There are many volunteers who help The Friars in their charitable activities, giving their time and invaluable support. The numbers of volunteers fluctuate according to people's availability but there are approximately 25 volunteers with some distinct volunteer groups: gardening, pastoral, domestic and fundraising. It is worth mentioning that a proportion of these volunteers have been helping over many years and the amount that they are able to do is diminishing. The Friars hope to address this by attracting new volunteers. In 2020, volunteer work was impacted by the pandemic and it was only after the various lockdowns were lifted that a few volunteers felt confident enough to visit.

The Pastoral Team has transformed into a regular Prayer Group and will continue to support the Pastoral ministry of The Friars. The Team, which includes five volunteers, meets regularly to help plan and support retreat programmes and enhance the pilgrim experience. The group members develop prayer opportunities, pilgrim tours and ways to improve the pastoral areas of the site.

The Gardening Group assists the Estates Team to maintain the grounds and usually meets and gardens each Thursday and Saturday.

Among the regular worshipping community at The Friars, volunteers support us at social events and fundraising activities.

Due to the pandemic, there was limited volunteer opportunity in 2020.

We are privileged to have a small number of professionally qualified lay advisors who hold honorary positions and regularly attend Trustees' meetings for The Friars and Directors' meetings for its subsidiary trading company Aylesford Priory Limited.

Trustees' report Year ended 31 December 2020

Volunteers (continued)

The trustees would once again wish to record their recognition of the professionalism and commitment of all their staff, volunteers, advisors, and the individual members of the Carmelite Community. Their dedication and positive approach are very much appreciated.

Achievements and Performance in 2020

Undoubtedly, all business establishments, irrespective of their strength and type of industry, were affected greatly by the Coronavirus pandemic and The Friars was no different. We started the year strongly, but the onset of Covid-19 lockdown restrictions in March brought activity to a standstill. Activity returned partially in July although our highest income generator (Hospitality) had to remain closed. Details in the table below illustrate our few achievements in 2020:

<i>What we said we would do in 2020</i>	<i>What we did in 2020</i>
1. Deliver the agreed 2020 break-even budget	The Group made a combined loss of £15,911 with Aylesford Priory making a loss of £270,928 and The Friars making a profit of £255,017. The surplus for the Charity was a result of generous donations and legacies received.

Trustees' report Year ended 31 December 2020

Achievements and Performance in 2020 (continued)

<i>What we said we would do in 2020</i>	<i>What we did in 2020</i>
2.Continue to invest in specific priority capital and maintenance projects approved by the board to be funded by the accumulated reserves brought forward from 2019	<p>Due to lockdown, the Estates Group held only two meetings in the year. These meetings were attended by the quinquennial architects, who did much of the work preparing a successful bid for the Historic England administered "Cultural Recovery Fund" grant. The remaining three phases of roof renewal of the shrines were able to be started in October 2020 all in one phase. Our ability to win this grant, which justifies the expense involved (mostly 2019), has made a significant difference.</p> <p>The intention is to return to quarterly meetings when things return to normal.</p> <p>In January/February 2020, we had significant issue with items of plant following a Gas Safety inspection. This resulted in work to the Barn and Farmhouse area: four gas line unions on the underground supply pipe work to the West Barn boilers and the toilet block boiler were repaired. As a result, our gas safe certificate was issued.</p> <p>We continued to address the non-critical electrical items identified in previous EIC inspections. Emergency lights in both guesthouses were replaced, with the lights in the conference centres planned for replacement in 2021.</p> <p>We continued with the programme to upgrade some bedrooms in the expectation of charging appropriate higher booking rates. The Estates Team worked during the winter months of lockdown and managed to complete refurbishment of three additional rooms.</p>

Achievements and Performance in 2020 (continued)

<i>What we said we would do in 2020</i>	<i>What we did in 2020</i>
	<p>The team were faced with challenges due to the delay in securing building materials. This delay was brought on by Brexit as some of our suppliers import from the EU. We also had problems with heating in several buildings. Two of the boilers in the community building were repaired. One boiler which is beyond repair is now out of service pending a complete upgrade.</p> <p>Boiler and laundry equipment in the New Block conference building has been carefully tended month by month to keep it functioning, pending availability of funds to renew or replace. Steam-based systems are increasingly rare and estimates to replace were much higher than originally budgeted.</p> <p>We planned in 2018 that the significant deterioration of the scraffito wall art and artefacts in St Anne's Chapel – thought to be damp/condensation/humidity related – would be monitored with new equipment. And so, in 2019, investigation into high level of humidity in the Chapel was started. The aim was to find a solution and continuous monitoring has been carried out throughout the year 2020. The architect is being asked to propose remediation measures once the roofs have been repaired.</p> <p>Gallaghers were generous again to us by erecting a canopy/tent which allowed masses to be held outside during the pandemic. This was very helpful as Covid-19 guidelines were appropriately followed as a result. We could not have held masses unless these guidelines were followed.</p>

Achievements and Performance in 2020 (continued)

<i>What we said we would do in 2020</i>	<i>What we did in 2020</i>
3. To Further the plans for the development of a new Pastoral Centre here at Aylesford, by supporting the development of a project group and to provide adequate relevant resources to help drive forward this exciting new venture.	<p>Following a review and reconfiguring of pastoral and financial commitments within the Catholic Archdiocese of Southwark, a new Pastoral Centre at Aylesford no longer featured as a priority for the diocese.</p> <p>The Carmelites are committed to continue the exploration and resourcing of a creative, informed, and innovative way forward to ensure good provision for the thousands of young people and others who come to The Friars for educational, cultural pastoral and spiritual development.</p> <p>A plan was prepared that will lead:</p> <ul style="list-style-type: none"> - in 2021: to the recruitment and appointment of a Young People and Formation Coordinator. - in 2022: to the recruitment and establishment of a Young Adults Community at Aylesford. - in 2022/23: to the creation of an attractive and engaging programme of opportunities for young adults (18-30 year), young people (under 18 years) and others
4. Recruitment of lay directors	<p>Prospective directors were spoken to and particular emphasis was placed on securing directors with a finance or Human Resources background to support the function/activities of Aylesford Priory Limited. While Covid-19 has slowed the progress on recruitment, one new potential director with a legal background became a regular contributor at Board meetings. The work of identifying and recruiting new directors has continued.</p>

Achievements and Performance in 2020 (continued)

<i>What we said we would do in 2020</i>	<i>What we did in 2020</i>
5. Develop a three-year business plan and reserves policy	This plan was put on hold due to the onset of the pandemic where other matters were of greater concern. Developing the business plan will be back on the directors' agenda in 2021.

Fulfilling our mission 2020

Working in partnership with others

The Friars is an important retreat and pilgrimage centre. Several groups would come to pray and worship at the Shrine but sadly due to the pandemic no pilgrimages were held in 2020.

Only a few two-day retreats were held between January and March. All other retreats were cancelled. We also held Lent Evening talks until lockdown kicked in.

The Friars and the Southwark Catholic Youth Services (SCYS) have continued to work closely together and further developed the work on the schools' retreat programme. The Carmelite Charitable Trust and SCYS worked together to make the Youth weekend a very positive experience. This programme continued right up to lockdown when restrictions made it impossible to meet.

Our usual summer theatre programme with Changeling Theatre Group which was scheduled to take place in July was cancelled too.

The Friars has played host to the Farmers' Market only after the first lockdown and this was because outside markets were permitted to operate in accordance with strict Covid guidelines.

It was impossible to collect donations of food items, goods, and toiletries for Maidstone Christian Care (our local food bank) nor were we able to support Maidstone Churches Winter Shelter programme, which provides shelter for the homeless in winter.

As we were closed over the Christmas period, we could not raise funds for Mary's meals, a charity supplying meals in schools in some of the poorest parts of the world.

Be inclusive

The Brocard Room is a very popular regular meeting place for Aylesford Scouts, and has proved to be a popular venue. The Brocard Room which is normally used by school groups for their picnics and, also used as a meeting place for Aylesford Scouts, was hardly able to be used in 2020.

We were unable to offer work place experience to young adults with disabilities from local schools and colleges due to afore mentioned reasons.

Aylesford Pottery, which has been located in The Friars for 60 years continues to work with EBD (Emotional Behaviour Disorder) schools and learning disability groups. Their classes have inspired many visitors to develop new skills. Their work with schools and disability groups were very limited for the most part of the year but their work gathered momentum again after the first lockdown.

Fulfilling our mission in 2020

Working in partnership with others*(continued)*

The weekly Alcoholics Anonymous (AA) meetings were all cancelled due to Covid restrictions.

In keeping with the Carmelite ethos at The Friars, the guesthouse welcomes people of all backgrounds, abilities, ages and all faiths and none. During January and March 2020, we again played host to many small groups in particular, mindfulness training Groups, each with approximately between 10 and 50 attendees from various backgrounds.

Act responsibly as stewards of the buildings and the physical environment

In 2013 the trustees commissioned an Options Analysis, examining a full range of options to assist in the strategic direction of The Friars, Aylesford. In late 2014, an Aylesford Development Group, consisting of representatives from the Carmelite Charitable Trust, Aylesford Priory Community, and lay professional advisors was formed. Its priority was to consider and explore potential investment options to ensure sufficient on-going funds were available to maintain the Aylesford Priory site and its buildings in a sustainable manner, for many years to come. Engaging with a major commercial partner, through one of the options considered, may not always be an ideal mix for this uniquely spiritual site. An emphasis on social enterprise, community volunteering and artisan tenants is likely to be progressed, as well as working towards engaging with appropriate commercial partners who are sympathetic to the mission, values, and ethos of The Friars.

Fulfilling our mission in 2020 (continued)

Acts responsibly as stewards of the buildings and the physical environment (continued)

In 2015, the Roman Catholic Archdiocese of Southwark and the British Province of Carmelites announced the development of a new pastoral centre for the Diocese at Aylesford Priory. The new centre, agreed in principle, was estimated to cost £6 million, and was planned to welcome adults, school groups and young adults, benefitting from a secure the long-term presence of Carmelites at Aylesford.

In 2017, changes in leadership of both the Carmelite Community and Archdiocese of Southwark affected progress of the Pastoral Centre project, but the aspiration to move forward in developing a professional and exciting provision for young adults, younger people and others at The Friars, Aylesford, remains strong. Planned developments in this area will become more evident from 2021 with the appointment of a Young People and Formation Coordinator and from 2022 with the establishment of a Young Adults Community at Aylesford. During 2020, it became clear the archdiocesan intention to construct a pastoral centre in the walled garden would not proceed and, therefore, our focus must shift towards smaller, more incremental partnerships in other areas of the estate.

Proactive exploration of opportunities for collaborative partner organisations and for the improved use of the whole site continues.

We continue to ensure all the buildings and the site are as safe as is reasonably possible for the many visitors we welcome. We have been responding closely to government guidelines to open, close or re-open our public income-generating facilities, albeit with reduced staffing.

An example to be copied is the agreement to one of our commercial tenants, the Potters, constructing a small extension for their teaching/hands-on classes, which we facilitated with a fresh license and an uplift in rent.

In 2020, we continued with the re-decoration of St Joseph's Chapel. Other redecorations are expected to be scheduled for 2021 in the wake of the re-roofing. Metal roofing theft has affected us for a second time - this is taking place on roofs that are accessible, on the single gatehouse convent buildings. The roofs are now Smart-watered.

The Estates Team continues to report any significant, previously unidentified maintenance issues to the Trustees through the Estates Group. Given the ongoing significant maintenance projects authorised in 2018, the Trustees agreed with the Province (Carmelite Charitable Trust) that ongoing maintenance related to the cost of trading as a public venue, would be absorbed in the annual budgets, whereas capital repair and investment in the buildings as assets, such as flood protection pumps systems, would be reimbursed through legacy income and other financial support from the Province. Since 2019, the Quinquennial Architects now attend and report to the Estates Group on a planned basis: there is an improved sub-division of specialist conservation work under their direction and ordinary in-house facilities management works.

During 2018, in light of then recent inspections of the major buildings (coming under the care of diocesan-appointed architects, or our quinquennial architects, as well as our Estates Manager), Trustees decided not to commit immediately to a 5-yearly report but to allocate the value of those fees to the designated maintenance programme.

Fulfilling our mission in 2020 (continued)

Acts responsibly as stewards of the buildings and the physical environment (continued)

A new Quinquennial Report in 2023 will likely follow the completion of several major dilapidation repairs and developments, and thus be a more accurate forward guide into the next decade. The substantive repairs in re-roofing and insulating 2 chapels - both their tiled pitched roofs and upper flat roofs - and of the lower flat-roofed sacristy (with the latter being tested with green sedum roofing) have been successful major restoration projects, which have attracted funding.

We received acceptable match funding for the 2020 Historic England Cultural Recovery Fund grant: 80% in one tranche towards phases 3, 4 and 5 together represented overall some 60% grant aid to the completed shrine roofs, over a four- year period.

Environmental monitoring has been in progress for one year in St Anne's Chapel, trying to assess how widely humidity and condensation occur: the architects will be asked to propose solutions during 2022. Additionally, electrical surveys, gas safety inspections and other similar surveys, have led to renewal and repair of some systems. The next major item during 2020 would have been the renewal of the boilers to the Conference/New block, for which the quinquennial architect introduced an [pro bono] consultant for further advice. This did not go ahead due to lockdown. The consultant is to be commissioned to arrange tenders during 2021.

Preparations began to update the 2016 survey of the walled garden and the copings of the river wall stonework were to commence a phase of capital repair in 2020. That too has been deferred.

The buildings are risk assessed annually, and all larger events and pilgrimages have a duty manager trained in Health and Safety procedures and their specific responsibilities for the event. The entire site is compliant with fire regulations and the infrastructure to provide the electricity supply continues to undergo improvements.

On 23 September 2016 our Shrine of Our Lady of Mount Carmel and St Simon Stock constructed to designs by Adrian Gilbert Scott and containing significant art works by Adam Kossowski, Michael Clark, Lynsey Clark, Dom Charles Norris and others, was entered on the statutory list of Grade II protected heritage buildings (entry number 1437906). The principal reasons for the designation being the Shrine is of historic, religious, architectural, and artistic interest. The listing of the shrine clarifies eligibility for heritage and other grants in tandem with the ecclesiastical exemption for VAT purposes. The clarity now informs our approach to designating funds and priorities for the capital works to our buildings.

In 2018, the Angels ceramic by Adam Kossowski repair took place, and an information plaque explaining the significance of the Rosary Way was added at the entrance of Rosary Way. A pop-up displaying explaining the history of The Friars was also put into the Priors' Hall.

The Peace Garden remains a very popular attraction for all our visitors. Outside lockdown periods the volunteer Gardening Group has maintained it and ensured it remains a place of reflection and peace. We continue to maintain a Peace Garden restricted fund to ensure the on-going maintenance of this special garden.

Fulfilling our Objectives in 2020

Be accountable to all our stakeholders

In 2020, The Friars' quarterly newsletter continued to be a very important means of sharing information with our visitors, and it continued to bring a message of hope and spirituality to them. The newsletter has a circulation of around 6,500 and is received by people throughout the United Kingdom and the Republic of Ireland and beyond. Many of those who receive the newsletter respond and share their views, thoughts and aspirations for The Friars at Aylesford. Our readership found newsletters very beneficial during the pandemic because it was the only way they could keep in touch with us. Several people were affected by the pandemic by way of loss and grief and The Friars' newsletters was successful in reaching these people and reassuring them of love and hope.

The online booking system which was launched in 2019 has resulted in greater efficiency in the booking process and increased our occupancy rate in return. Sadly, some bookings had to be put on hold or postponed or even cancelled altogether due to the pandemic.

Such charitable purposes which advance the Roman Catholic religion in any part of Great Britain

The Friars is primarily a Roman Catholic shrine and pilgrimage centre. Served by its Carmelite community, there are normally regular Masses celebrated each day, together with confessions, counselling and consultations. Masses, confessions, and counselling activities were all put on hold until July 2020 from when Masses were held four days in the week outside on the Shrine. The Syro-Malabar community joined us for Mass twice a month and they provided stewards for Mass. The Relic Chapel was opened for prayer on the same days three days a week.

As an important Marian shrine, many pilgrims visit from all over the world. Organised ethnic pilgrimages pray and celebrate in their own languages and the range of nationalities continues to increase. In 2020, The Friars which would normally attract many groups from overseas who stay in the Guesthouse, including groups from Poland, the Caribbean, Germany, France, Belgium, Holland, Spain and a walking group travel weekly from Holland were unable to travel to the UK due to travel and lockdown restrictions already mentioned.

Two- day retreats and Lent evening talks took place between January and March.

Many Schools continue to visit, offering their individualised programmes with the help of the Carmelite community. These programmes include history and art appreciation, and in most cases the young people attend Mass in one of the chapels. Many of the students who visit us come from the inner city and they enjoy the natural environment and expansive grounds. The friars are usually involved with these groups, taking them on tours explaining the history of the Carmelites in England and giving them an understanding of the various artworks but once again, due to Covid, no tours were organised in 2020.

Fulfilling our Objectives in 2020 (continued)

To promote for the benefit of the public the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford

The Friars encourages event organisers to arrange their events on the grounds and we have in prior years hosted classic and vintage car shows, bike shows and several dramatic performances, although in 2020 we were unable to host any events.

The Friars is home to many significant works of art, in particular a great number of ceramics by Adam Kossowski in chapels, the grounds and in particular in the Prior's Hall, where there is a series of narrative artworks depicting the history of The Friars, whilst also reflecting the Carmelite values and traditions. The public benefit of having free access to such works of art is widely appreciated and was formally recognised in the Grade II listing in 2016.

The site also presents a significant public benefit in that it has proved very popular with artists and photography clubs and conservation groups. We have regularly seen groups producing paintings of the various listed buildings and the wonderful grounds and have had considerable interest in the examples of very old trees. This activity was limited in 2020.

Our ever - popular Mothering Sunday, Christmas and Easter lunches and several other events and social gatherings such as celebration of life buffets and weddings that would normally take place in the Pilgrims' Hall were all cancelled in 2020. We were hopeful that Christmas dinners would take place as we had secured lots of bookings but sadly, we had to cancel at the very last minute.

To support families who have lost loved ones we continue to offer memorials in the form of benches, plaques and trees, which are normally placed in our grounds. Demand for this undoubtedly went up during the pandemic as several families had lost loved ones and wanted a suitable memorial for them. It is worth noting that we are gradually running out of space for such memorials, and we are beginning to explore other types of memorials. We also offer bereaved families a place to celebrate the life of their loved ones, providing a venue and catering for funerals, as allowed during the pandemic restrictions.

In 2020, despite the pandemic, The Friars continued to host the monthly outdoor farmers' market. This brought in revenue to The Friars but also served the community allowing local producers to exhibit and sell their produce and afford us an opportunity to welcome those who would otherwise not visit.

Financial Review

The year ended 31 December 2020 was a challenging one overall, underpinned by the closure of our entire business operations for much of the year and an expected downturn in charitable giving. In December 2019, the Trustees had approved a detailed annual budget for 2020, with a clear aim to balance expenditure with income, and a continued commitment to invest in overdue maintenance projects.

Financial Review (continued)

The coronavirus pandemic impacted our ability to raise income as we had to pause and adapt ways to work under restrictions, which made it impossible to hold fundraising events (eg Summer and Christmas fayres) the entire year. Our principal trading activities were put on hold and our collection donations dwindled. As we looked ahead during this time of uncertainty, we had to make difficult decisions to implement a cost reduction programme to ensure the Group was in the best possible position to remain viable and secure a sustainable future. While this was the right decision for the organisation, it is with heavy heart that we have had to seek voluntary redundancies.

General Funds

As mentioned above, we made a small loss in the year. The loss would have been greater had it not been for receipt of government furlough subsidy and generous large donations.

The consolidated statement of financial activities shows that the Group (The Friars, Aylesford and Aylesford Priory Limited) returned a small loss of £15,911. This loss of income was largely mitigated by the receipt of large legacies received, receipt of government furlough subsidy and savings made from reduced general overhead costs.

The loss on the commercial activities of Aylesford Priory Limited was £270,928 (2019 £41,622 profit), (please see note 11). However, a profit of £255,017 was made by the Charity, resulting in a Group loss of £15,911 (2019 £88,910)

General reserves were £278,761 compared to £3,750 in 2019.

Restricted Funds

£365,380 (2019 £413,223) of restricted funds were brought forward into 2020, represented by £17,931 (2019 £18,214) for the Peace Garden and £347,449 (2019 £395,009) for the Restoration Fund.

Carried forward Restricted Funds as at 31 December 2020 are £378,282 (2019 £365,380) comprising £360,791 for the Restoration Fund and £17,491 for the Peace Garden.

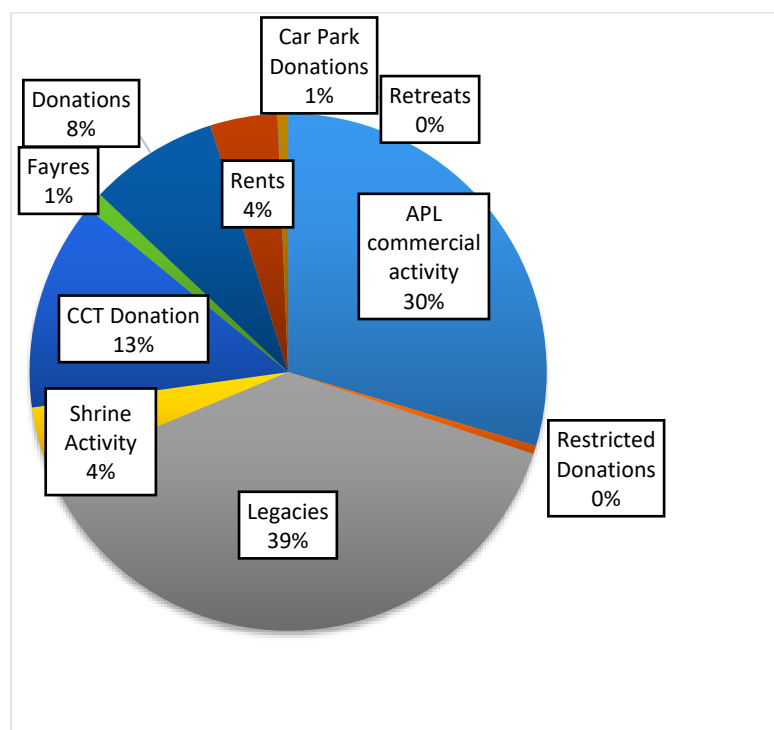
Total Funds as at 31 December 2020 were £780,978 (2019 £796,889) represented by £378,282 (2019 £365,380) of Restricted Funds, £364,493 of Tangible Fixed Assets (2019 £397,389), £240,558 negative Aylesford Priory Ltd Funds/Reserves (2019 £30,370) and £278,761 of General Reserves (2019 £3,750).

Financial Review (continued)

Income

The Group income for 2020 by activity is shown in figure 1 below, and figure 2 shows the decline in income from 2019 to 2020 by activity.

Figure 1 - 2020 Group Income by Activity



The Total income for the group was £1,109,355.

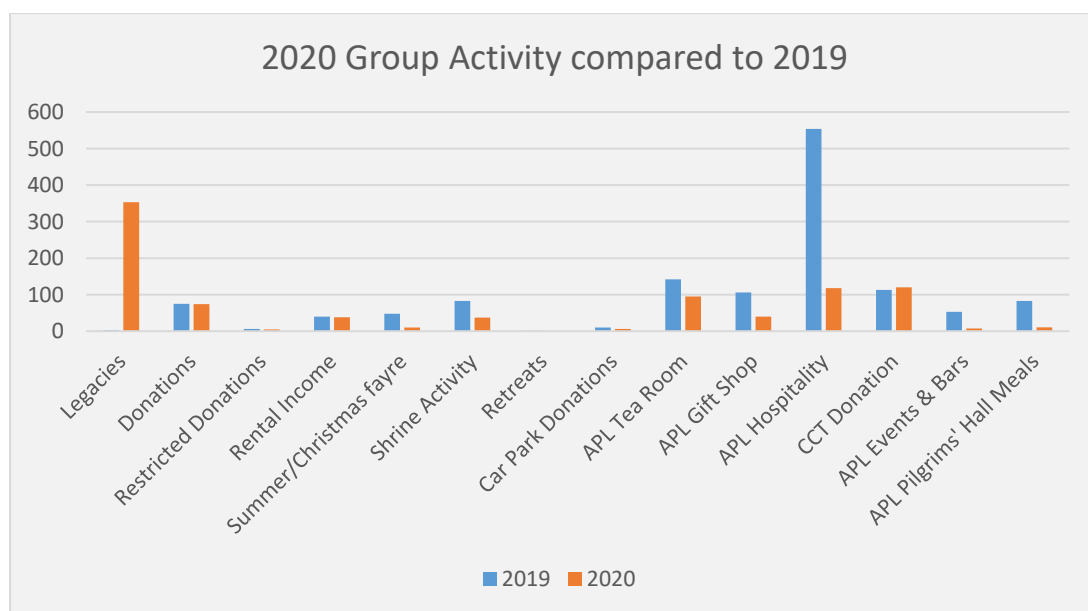
Aylesford Priory Limited turnover of £271k (made up of: hospitality, £118k; tea room, £95k; gift shop £40k; events/bars £7.5k; and Pilgrims' Hall £10.5k); legacies £353k; unrestricted donations £74k; restricted donations £5k; rental activity £38k; fayres £10k; shrine activity £37.4k; retreats £0.2k; car park donations £6k; the Carmelite Charitable Trust donation £120k and the Coronavirus Job Retention Scheme grant of £194k.

Majority of the above income was earned between the months of January and March and the remainder between August and October.

Financial Review (continued)

Income (continued)

Figure 2 – 2020 Group Income by Activity compared to 2019.



Turnover of Aylesford Priory Limited from the provision of hospitality (conference facilities and guest accommodation), events, sale of books, gifts and refreshments was £270,979 down by £665,675 (71%) from 2019.

Figure 2 highlights which department's income improved or declined in 2020 compared to 2019. Sales from our Hospitality department were £118k, down by 79% against 2019 (£554k in 2019). Tea Room's sales were £46k (67.4%) down against 2019 (£141k in 2019). The Gift Shop's sales were £40k, down by £66k (61.5% down) in comparison to 2019 (£106k). Pilgrims' Hall's sales were down by £73k, which was 89% down on last year (2019 £83k) and events and bars were down by £25.5k (-77%) against £52k in 2019.

Results from our charitable activities were very positive in 2020, with increasing income especially from legacies. We received a total of £353,143 in legacies in contrast to £2,901 in 2019, an increase of 12,073%.

Our unrestricted donations were on par with last year's at £75k. Shrine activity was down by £45k (-55%) on last year (£83k in 2019). Restricted donations were £5k 20% down in comparison to £6k in 2019. Summer and Christmas fayres were cancelled but sales from raffle tickets generated £10k which was 79% down against 2019 (£48k).

Financial Review (continued)

Income (continued)

The Carmelite Charitable Trust (CCT) continues to provide financial support to the Charity. The CCT and the Charity budget for an annual grant of up to £120,000 for the on-going costs of the charitable activities. An annual grant of £120,000 (2019 £120,000) was still received from the CCT in the year to support The Friars, due to the financial challenges brought on by the pandemic.

Expenditure

As the impact of the Covid-19 pandemic unfolded we quickly made provision for reducing our overheads and operating costs.

Our trading operating costs (cost of sales) of the subsidiary company Aylesford Priory Limited, was £612,794, down 21.6% against 2019 (£781,450). Whilst group income of £1,109,355 was also decreased by 15.6% in comparison to £1,315,130 in 2019.

For full details of the investment in the wholly owned subsidiary Aylesford Priory Limited see note 11.

Notable increases in expenditure for the Charity are increased costs of raising funds (note 4) and Support of the Carmelite Friars (note 6). As already mentioned, both Summer and Christmas fayres were cancelled hence income, at £10,000 (sale of raffle tickets), was down £37,692 on 2019. We remain hopeful that the ability to hold events comes back to more normal circumstances, so we can invest in better attractions to achieve a step change in the number of visitors to these events, to secure better income year on year. The living and personal expenses of the Carmelite Friars at Aylesford were £47,946 (2019 £66,212) which is down 27.6% year on year.

Table 1 below shows that expenditure in 2020 on the upkeep of the shrine (note 5) was down 15% on 2019. The expenditure on premises and facilities were only 2% down on 2019 which illustrates that despite the pandemic, chapel refurbishments and other maintenance works still carried on throughout the year. Direct costs were down 57% and other indirect staff costs were up against 2019 by 27%.

Direct costs of £49,994 (2019 £116,230) were made up of purchase of candles, memorial benches and plaques, direct staffing costs, utilities, cash handling, chapel ad hoc expenses and general expenses. This is a 57% decrease compared to 2019. Other indirect staff costs of £29,606 (2019 £23,271) are allocation of support costs other than premises.

Financial Review (continued)

Expenditure (continued)

Table 1- 2020 Expenditure on upkeep of the shrine compared to 2019

	2019	2020	% Difference
Governance costs	£7,066	10,888	+54%
Office costs	£8,184	£9,645	+19%
Premises & Facilities costs	£240,955	£234,959	-2%
Indirect Staff costs	£23,371	£29,606	+27%
Direct Shrine costs	£116,230	£49,994	-57%
Total	£395,806	£335,092	-15%

Reserves

At 31 December 2020 free reserves amounted to £278,761.

Since 2013, unrestricted funds have improved from a negative total unrestricted funds of £231,052 to a positive position of £402,696. During the same period, restricted funds have increased from £186,127 to £378,282.

The total funds at 31 December 2020 are in surplus by £780,978, (2019 £796,889). This is represented by fixed assets of £364,493 (2019 £397,389) and net current assets of £387,765 (£356,338) including a net cash position of £341,247 (2019 £310,020). Bank accounts held are part of a centralised, pooled banking system, together with and managed by the Carmelite Charitable Trust. Pooled bank accounts are managed to optimise return on investments. Any accumulated reserves will be invested in the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford.

Whilst the financial position of the Charity did not make progress towards short term financial stability in 2020, not least because of the Covid-19 pandemic, the Trustees recognise that the historic buildings at Aylesford require significant material investment. Therefore, in 2021, they will continue to explore the two potential strands of opportunity identified in 2015 and subsequently adjusted:

- ♦ To secure the long-term presence of a Carmelite Community at Aylesford Priory and by working collaboratively with a new Young Adults Community; and
- ♦ To secure a commercial partnership agreement by considering a new commercial or social enterprise partner or partners, to use part of the available assets, that is the land and buildings at Aylesford Priory, in delivering activities that provide adequate income to meet or exceed the on-going costs and support the viability of the non-business charitable activities and in particular the maintenance of our historic buildings.

Trustees' report Year ended 31 December 2020

Financial Review (continued)

Reserves (continued)

In 2019, the Trustees considered a new financial strategy considering the next three years. The implementation of this was delayed due to Covid-19, so further discussions will be held in 2021, and part of this work will be to formulate a more formal reserves policy.

Risks

Risks refers to factors that could prevent us delivering our plans and strategies or achieving our aims. Risks can be financial, political, regulatory or operational. Whilst we cannot control the risk occurring, we can ensure that we have sound mitigating actions and controls in place. Risk management is incorporated into our planning, organisational decision-making and management procedures. Our Trustees review the organisational risk register regularly (yearly), ensuring that we manage threats to our work appropriately.

The Covid-19 pandemic has had a significant impact on both the internal and external environment and has in turn affected our risk profile. Our principal risks and uncertainties identified for 2020 were:

Identified Risk	Impact	Existing Controls	Further Controls to be implemented
1. Material shortfall in delivering a balanced budget where expenditure is covered by income.	Reduction in reserves required for investment in restoration of buildings and grounds. Inability to fulfil principal charitable aims.	Regular monitoring, review and proactive management of financial position by the management team. Bi - monthly reports to trustees stating the position and management action taken, or to be taken to redress any potential shortfall identified. Operational plan developed alongside 2021 budget	Continue to seek government furlough subsidy and assess local restriction grants. Seek support from Carmelite Charitable Trust

Trustees' report Year ended 31 December 2020

Risks (continued)

Identified Risk	Impact	Existing Controls	Further Controls to be implemented
2. Health and Safety of our Staff, Volunteers, Community and Visitors	<p>Incident resulting in injury.</p> <p>Bad publicity, and potential damage to reputation.</p> <p>Potential prosecution</p> <p>Civil claim</p>	<p>Health and Safety policies and procedures are in place and regularly monitored by the management team. An independent external audit of procedures was carried out in 2019 and all action points were dealt with. Health and Safety is a constant agenda item for all management and trustees' meetings. There is regular training for the lead manager.</p>	<p>Continue to review and agree any necessary actions from the external independent Health and Safety review carried out in 2019</p> <p>report from the Annual Review of Health & safety procedures to be reviewed by Trustees annually</p>

Trustees' report Year ended 31 December 2020

3.Spread of Covid variants	Staff, visitors, and contractors being exposed to infected persons	All car parks open.	Car parking to be restricted and site to be closed at 17:30
		Signage	Increased signage in all areas to remind visitors of social distancing. Supply of protective equipment in all areas
		Regular cleaning	Hourly cleaning in public toilets Introduce sanitising stations at all entrances to buildings and chapels. Chapel doors to be manned by stewards.
		Free flow into and out of the Tea Room	Staff member to monitor entry and exit into Tea Room

Plans for the future

<i>What we aim to do in 2021</i>	<i>How</i>
1. Deliver the agreed 2021 budget.	To ensure our financial health, we will drive efficiencies and cost reductions in our core overheads by regular monitoring of all departments' income and associated costs and making the necessary management decisions to eliminate any risk to achieving the break-even position
2. Continue to invest in specific priority capital and maintenance projects approved by the board to be funded by the accumulated reserves brought forward from 2020.	<p>Continue working with Estates Sub-group and the Estates Manager and regularly review progress on agreed projects:</p> <ul style="list-style-type: none"> • Replacement of steam boiler and washer dryer for laundry department • Continue renewal of conference centre and guest house facilities. • Artwork conservation for the shrines and Prior's Hall • Ongoing quinquennial maintenance work • Continue monitoring humidity levels in St Anne's Chapel • Hold quarterly Estates meetings
3. Develop a three-year business plan and a more formalised reserves policy	Trustees will agree plans for the next three years and a targeted level of reserves to be achieved. Trustees to determine the level of the fund and why it is held. Trustees need to review the level of risk to ensure reserves are adequate to cover costs of ongoing operations. This is a basic requirement for all Trustee boards.
4. To further the plans for the development of a new Pastoral Centre	<p>Appoint a Young People and Formation Coordinator.</p> <p>Recruit a Young Adults Community.</p>

Trustees' report Year ended 31 December 2020

<i>What we aim to do in 2021</i>	<i>How</i>
	Support the project by providing adequate relevant resources to help drive forward this exciting venture.

Covid-19 and the impact on going concern

The Covid-19 pandemic is a global crisis that has and will continue to have a huge personal, social, and economic impact on all of society.

With unprecedented economic challenges posed by Covid-19 our business operation has been affected significantly and poses real challenges to The Friars. The site closed on 23 March 2020 and reopened on 4 July 2020. Then we followed the Government's "tier system" which allowed us to operate a "take away" service in the Tea Rooms only.

In 2020, all planned events, including weddings, pilgrimages, were postponed and our only source of income came from the Tea Room, Gift Shop, estate rentals and donations. Pilgrims' Hall will reopen on 19 July to offer the usual "walk-in" service.

Looking forward, we are pleased to see our customers slowly returning to our guest house and we have received some conference room bookings too. Our Tea Rooms continue to outperform results from 2019 and the hope is that we build on this encouraging trend. Wedding bookings have been postponed to 2021 and beyond.

As a team, we are looking at thinking outside the box and be creative with our weddings and events to boost our income. We will also look into partnerships with, for example, Livability UK to build on our Artisan village which currently includes Pottery, Upholstery, and Ceramics.

We will explore offering to a wider range of groups, universities, Anglican and ecclesiastical movements.

We recognise it remains important to continue to exercise stewardship on our core salaries and cost levels, at least until we see sustained growth in all our other supporter income streams. Accordingly, we are still minded to maintaining base core income levels (salaries and costs) in line with the lower levels included in the 2020 budget.

As the impact of the Covid-19 pandemic unfolded, the external financial environment around the organisation changed dramatically.

Whilst income has suffered greatly, some savings have been made in respect to expenditure.

Covid-19 and the impact on going concern (continued)

There was huge uncertainty around the charity's financial position and the Trustees looked to the Carmelite Charitable Trust to provide financial support during 2020 and over the next twelve to twenty- four months. The exact financial position of the charity and its subsidiary company continues to depend on a number of factors including the extent of travel bans and other restrictions, extending into 2021, the continued availability of government assistance (which was fully utilised in 2020) and potential sources of replacement financing, in addition to the financial health of suppliers and customers. All of these may impact on expected profitability and other key financial performance ratios including cashflows and having sufficient liquidity to continue to meet obligations when they are due.

With the assistance of the Carmelite Charitable Trust, the Trustees have confidence that the charity and its subsidiary company will be able to withstand the challenges presented by Covid-19 and be financially sustainable in the short to medium term.

Impact on plans for the future

We are hoping to welcome our visitors back fully again soon and we hope to take the following actions to further enhance our chances of remaining a sustainable business:

<i>What we aim to do</i>	<i>How</i>
1. To have a robust post covid recovery plan	Significant focus on marketing and social media marketing to increase our presence and profile both locally and regionally.
2. Recruitment	Recruit relevant personnel in the right departments. Expand the volunteer base to support and sustain existing and future services.
3. Maximise the use of our North Barn	Consider wedding bookings and other celebrations during the week to exploit the "backlog" of weddings due to the pandemic restrictions.
4. Revamp our Hospitality trade	Actively develop relationships with our regular customers and look for new business.

Trustees' report Year ended 31 December 2020

Structure, governance, and management

The Friars, Aylesford is constituted as a company limited by guarantee governed by its own Memorandum and Articles of Association. The members are the individual friars of the British Province of the Carmelite Order, who meet in Annual General Meetings to elect the Trustees, to review the financial statements for the previous year and to discuss any other relevant business.

The Trustees are appointed to oversee the strategic governance of The Friars and its subsidiary. They set the strategy, agree an annual budget and monitor performance. In particular, the Trustees make all decisions where the reputation and ethos may be impacted.

During 2020, the Trustees met five times, with a later than normal Annual General Meeting on 15 September 2020. The AGM was adjourned and reconvened on 8 October 2020 to allow a narrative to be written to demonstrate that the business was a going concern.

There are two specialist sub-groups which meet regularly providing advice and recommendations to the board.

- ◆ The Finance Group Acting Chair: Father Kevin Alban
- ◆ The Estates Group Chair: Jonathan Louth

The Trustees are supported by advisors:- Jan Wilkinson (Finance and Development) and Jonathan Louth (Estates and Development) who regularly attend board or sub-group meetings as applicable.

New Trustees are briefed on the role of a Trustee and provided with relevant literature plus copies of the Memorandum and Articles of Association. Trustee indemnity insurance premiums are paid for by the charitable company to provide protection for the Trustees in the execution of their duties. In December 2017, we undertook a review of our current practices compared to the Charity Commission's Code of Governance and were pleased that there were few areas that were identified as needing minor improvement.

The Trustees delegate the day-to-day operations of the charity to the Management Team also known as the Trading Operations Management Team (TOMT). The TOMT comprises the Operations & Business Development Manager OBDM and four other members with clear lines of responsibility for specific departments of the organisation. The Trustees have worked with the TOMT to develop the longer-term strategic plans for the charity. Responsibility for the implementation of the plans is delegated to the TOMT through agreed one-year business plans also known as Operational Plans.

The team has clear terms of reference, regularly reviewed by the Trustees, and its prime and collective responsibility is to self-manage the trading operations of The Friars, Aylesford and to achieve a balanced budget, in line with the budget presented to and agreed by the Trustees in December.

Within the team, certain managers are expected to occasionally attend Trustee meetings, reporting from and representing the TOMT. These managers can also refer urgent matters that are outside the remit of the TOMT to Trustees.

Structure, governance, and management (continued)

TOMT members at the start of 2020 were- Pearl Nyafli -The Operations & Business Development Manager (Lead); Ros Duddell – Gift Shop Manager; Steve Hayden – Estates Manager; Karen Wright – Hospitality Manager; Helen Bannister – Catering Manager; and Clare Abbotson – Prior's and Trustees' Secretary.

The Trading Operations Management Team (TOMT) had reduced by the end of the year as our Hospitality Manager left the business in July and the Catering Manager took voluntary redundancy in October.

During 2020, in response to the Coronavirus pandemic, several staff were furloughed, and we took advantage of the Government's Jobs Retention Scheme. We also benefitted from the Local Restrictions Grant from the local authority Tonbridge and Malling Council

Key management pay is first informed by current local market rates for similar roles, and by maintaining appropriate differentials for job responsibilities within the organisation. A proposal is considered by the Finance Group and a recommendation made to the Trustees. The Trustees authorise all key management salaries.

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Friars, Aylesford for the purposes of company law) are responsible for preparing the Trustees' report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the income and expenditure, of the group 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards 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 Charity and the Group will continue in operation.

Trustees' report Year ended 31 December 2020

Structure, governance, and management (continued)

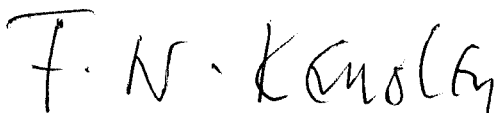
Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping adequate accounting records that 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ♦ so far as each Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- ♦ each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.



Trustee

Approved by the Trustees on:

 12th July, 2021

Independent auditor's report to the members of The Friars, Aylesford

Opinion

We have audited the financial statements of The Friars, Aylesford (the 'charitable parent company') and of The Friars, Aylesford and its subsidiary Aylesford Priory Limited (the 'group') for the year ended 31 December 2020 which comprise the group statement of financial activities, the group and charitable parent company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2020 and of the group's 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's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group and charitable parent company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Financial Statements, 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.

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, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law 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 group and the charitable parent company 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 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable parent company 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

Matters on which we are required to report by exception (continued)

- ♦ 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 trustees' 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 of the charitable company 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 group's and the charitable parent company'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 group or the charitable parent company 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ♦ we identified the laws and regulations applicable to the group through discussions with management, and from our commercial knowledge and experience of the sector;
- ♦ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and the Charities Act 2011;
- ♦ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- ♦ identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the group's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the company's procedures.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, 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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

 Buzzacott LLP

Amanda Francis (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

23 July 2021

Consolidated statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Income from:							
Donations and legacies	1	526,104	25,979	552,083	186,385	11,012	197,397
Other trading activities	2	319,561	—	319,561	1,024,269	—	1,024,269
Charitable activities	3	43,539	—	43,539	93,464	—	93,464
Other sources:							
. Coronavirus Job Retention Scheme		194,172	—	194,172	—	—	—
Total income		1,083,376	25,979	1,109,355	1,304,118	11,012	1,315,130
Expenditure on:							
Raising funds	4	741,768	460	742,228	941,286	736	942,022
Charitable activities							
. Upkeep of the shrine at Aylesford	5	324,529	10,563	335,092	374,054	21,752	395,806
. Support of the Carmelite Friars of the Aylesford community	6	47,946	—	47,946	66,212	—	66,212
Total expenditure		1,114,243	11,023	1,125,266	1,381,552	22,488	1,404,040
Net (expenditure) income before transfers		(30,867)	14,956	(15,911)	(77,434)	(11,476)	(88,910)
Transfers between funds	14	2,054	(2,054)	—	36,367	(36,367)	—
Net (expenditure) income and net movement in funds	7	(28,813)	12,902	(15,911)	(41,067)	(47,843)	(88,910)
Reconciliation of funds:							
Balances brought forward at 1 January 2020		431,509	365,380	796,889	472,576	413,223	885,799
Balances carried forward at 31 December 2020		402,696	378,282	780,978	431,509	365,380	796,889

All the group's activities derived from continuing operations during the above two financial years.

There were no recognised gains and losses other than those set out in the consolidated statement of financial activities above.

Balance sheets 31 December 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible assets	10	393,213	440,552	364,492	397,389
Investments	11	—	—	1	1
		393,213	440,552	364,493	397,390
Current assets					
Stock		27,030	39,760	836	4,816
Debtors	12	153,460	132,695	451,112	330,248
Cash at bank and in hand		341,247	620,661	281,107	368,451
		521,737	793,116	733,055	703,515
Creditors: amounts falling due within one year	13	(133,972)	(436,779)	(76,012)	(334,385)
Net current assets		387,765	356,337	657,043	369,130
Total net assets		780,978	796,889	1,021,536	766,520
Represented by:					
Funds and reserves					
Restricted funds	14	378,282	365,380	378,282	365,380
Unrestricted funds					
. General funds		278,761	3,750	278,761	3,751
. Tangible fixed assets fund		364,493	397,389	364,493	397,389
. Non-charitable trading funds		(240,558)	30,370	—	—
Total funds		780,978	796,889	1,021,536	766,520

Approved by the trustees of The Friars, Aylesford, Company Registration Number 03487590 (England and Wales) and signed on their behalf by:

F. N. Kinsley

Trustee

Approved by the trustees on:

12th July, 2021

Consolidated statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
. Net cash provided by operating activities	A	33,280	170,095
Cash flows from investing activities			
. Purchase of tangible fixed assets		(2,054)	(99,008)
Change in cash and cash equivalents in the year		31,266	71,787
Cash and cash equivalents at 1 January 2020	B	310,021	238,234
Cash and cash equivalents at 31 December 2020	B	341,247	310,021

Notes to the statement of cash flows for the year to 31 December 2020.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	(15,911)	(88,910)
Depreciation charge	49,393	42,026
Decrease in stocks	12,730	6,393
(Increase) decrease in debtors	(20,765)	197,242
Increase in creditors	7,833	14,044
Net cash provided by operating activities	33,280	170,795

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	341,247	620,661
Overdraft	—	(310,640)
Total cash and cash equivalents	341,247	310,021

C Analysis of changes in net debt

	2019 £	Cash flows £	2020 £
Cash at bank and in hand	620,661	(279,414)	341,247
Overdraft	(310,640)	310,640	—
	310,021	31,266	341,247

Principal accounting policies 31 December 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below:

Basis of accounting

These accounts have been prepared for the year to 31 December 2020 with comparative information provided in respect to the year to 31 December 2019.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated statement of financial activities and group balance sheet consolidate each reporting line of the financial statements of The Friars, Aylesford and its subsidiary company, Aylesford Priory Limited, made up at the balance sheet date.

Critical accounting estimates and areas of judgement

The preparation of the financial statements in compliance with the Charities SORP FRS 102 requires the use of certain critical accounting estimates. It requires also that trustees and management exercise judgement in applying the group's and charity's accounting policies.

In preparing these financial statements, the trustees have made significant estimates and judgements in the following areas:

- ◆ Estimating the expected useful economic life of tangible fixed assets for the purpose of calculating an annual depreciation charge;
- ◆ Estimating any provision for slow moving and/or obsolete stock;
- ◆ Estimating any provision for bad or doubtful debts;
- ◆ Assessing the probability of the receipt of legacy income of which the charity and group had been notified;
- ◆ Estimating and recognising accrued expenditure;

Principal accounting policies 31 December 2020

Critical accounting estimates and areas of judgement (continued)

- ◆ Determining the basis for allocating shared overhead costs between the charity and its subsidiary company; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The COVID -19 pandemic is a global crisis that has and will continue to have a huge personal, social and economic impact on all of society.

Looking forward, we are pleased to see our customers slowly returning to our guest house and we have received some conference room bookings too. Our Tea Rooms continue to outperform results from 2019 and the hope is that we build on this encouraging trend. Wedding bookings have been postponed to 2021 and beyond.

As a team, we are looking at thinking outside the box and be creative with our weddings and events to boost our incomes. We will also look into partnerships with for example Livability UK build on our Artisan village which currently includes Pottery, Upholstery, and Ceramics.

We will explore offering a wider range of groups, universities, Anglican and ecclesiastical movements.

We recognise it remains important to continue to exercise stewardship on our core salaries and cost levels, at least until we see sustained growth in all our other supporter income streams. Accordingly, we are still minded to maintaining base core income levels (salaries and costs) in line with the lower levels included in the 2020 budget

Whilst income will suffer greatly, some savings will be made in respect to expenditure.

There is huge uncertainty around the group's financial position and the Trustees will be looking to the Carmelite Charitable Trust (see note 16) to provide financial support over the next twelve to twenty-four months. The exact financial position of the charity and its subsidiary company will depend on a number of factors including the extent of travel bans, other restrictions, the availability of government assistance and potential sources of replacement financing, and the financial health of suppliers and customers. All of these may impact on expected profitability and other key financial performance ratios including information that shows whether there will be sufficient liquidity to continue to meet obligations when they are due.

With the assistance of the Carmelite Charitable Trust, it is hoped that the charity and its subsidiary company will be able to withstand the challenges presented by Covid-19 and be financially sustainable in the short to medium term.

Going concern (continued)

Therefore, the financial statements have been prepared on a going concern basis given the undertaking of the Carmelite Charitable Trust (note 16) to support the group and charity financially whilst they continue with the work to restore the activities at Aylesford to a sustainable basis.

Income

Income is recognised in the period in which the group is entitled to the income, the amount can be measured with reasonable certainty and it is probable that the funds will be received.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Donations are recognised when receivable and the amount can be measured reliably by the charity.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

In accordance with the 2015 SORP, volunteer hours are not recognised.

Income from trading activities is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income from charitable activities, comprising income in connection with the shrine and retreats, is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured.

Principal accounting policies 31 December 2020

Income (continued)

Income from other sources comprises funding in connection with the Coronavirus Job Retention Scheme and is recognised as unrestricted income in the period in which the charity is entitled to the income, the amount of income can be measured reliably and it is probable that the income will be received.

No separate statement of financial activities has been presented for the charity alone, as permitted by s408 of the Companies Act 2006 and the Charities SORP FRS 102. The charity had total income in the year of £669,641 (2019 - £423,640), total expenditure of £414,624 (2019 - £509,007), resulting in net income of £255,017 (2019 – net expenditure of £85,367).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group or charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- a) Expenditure on raising funds includes all expenditure associated with raising funds for the charity and the operating costs of Aylesford Priory Limited.
- b) Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities i.e. the upkeep of the shrine at Aylesford and supporting the Carmelite Friars of the Aylesford community. Expenditure on charitable activities includes both direct costs and indirect support costs.

All expenditure is inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on area occupied, level of activity and staff time as appropriate.

Certain support costs incurred are shared between the charity and its subsidiary company, Aylesford Priory Limited. This allocation is based on area occupied, level of activity and staff time. Those costs which would be incurred whether or not Aylesford Priory Limited existed are allocated 100% to the charity.

Principal accounting policies 31 December 2020

Tangible fixed assets

All assets costing more than £1,000 with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off the cost of each asset, less its estimated residual value, over its estimated useful economic life. The annual rates used for this purpose are:

♦ Leasehold improvements	- 4 to 10% per annum on cost
♦ Plant and machinery	- 10 to 20% per annum on cost
♦ Furniture and equipment	- 20% per annum on cost
♦ Motor vehicles	- 20% per annum on cost

Depreciation is applied in all cases commencing from the start of the month following that in which the asset was purchased.

No value is attached in these financial statements to the leasehold land occupied by the group and charity. As explained in note 10, the site is of historic importance generally and specifically to the Roman Catholic Church and the principal objective of the charity is to preserve the site for the enjoyment of future generations. As such, the asset meets the definition of heritage assets in the Charities SORP FRS 102 and is not valued for the purposes of these financial statements.

Stock

Stocks of books, souvenir items and food stuff for resale are valued at the lower of cost and net realisable value. Cost is calculated by assuming stock movements are on a first in, first out basis.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund represents the net book value of the land and buildings occupied by the charity and other tangible fixed assets held by the charity. Such assets are vital to the charity being able to carry out its charitable work and the value invested in the assets cannot, therefore, be realised in order to meet future expenditure or contingencies. To emphasise this point the net book value of the assets is represented by a specific tangible fixed assets fund on the balance sheet.

Non charitable trading funds comprise the retained surplus or accumulated deficit on the activities of Aylesford Priory Limited.

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1. Income from: Donations and legacies

Group	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Legacies	331,976	21,167	353,143	(2,099)	5,000	2,901
Donations	74,128	4,812	78,940	75,052	6,012	81,064
Grant from Carmelite Charitable Trust	120,000	—	120,000	113,432	—	113,432
	526,104	25,979	552,083	186,385	11,012	197,397

2. Income from: Other trading activities

Group	Unrestricted funds	
	2020 £	2019 £
Provision of conference facilities, guest accommodation, events, and sale of books, gifts and refreshments	270,979	936,654
Rental income	38,411	39,752
Other	10,171	47,863
	319,561	1,024,269

3. Income from: Charitable activities

Group	Unrestricted funds	
	2020 £	2019 £
Shrine income	37,428	82,712
Retreat centre	236	1,283
Car park contributions	5,875	9,469
	43,539	93,464

4. Expenditure on: Raising funds

Group	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Provision of conference facilities, accommodation, events, and sale of books, gifts and refreshments	710,643	—	710,643	895,033	—	895,033
Other	31,125	460	31,585	46,253	736	46,989
	741,768	460	742,228	941,286	736	942,022

5. Expenditure on: Upkeep of the shrine at Aylesford

Group	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Direct costs	49,994	—	49,994	116,230	—	116,230
Other indirect staff costs	29,606	—	29,606	23,371	—	23,371
Premises and facilities	224,396	10,563	234,959	219,203	21,752	240,955
Office costs	9,645	—	9,645	8,184	—	8,184
Governance costs	10,888	—	10,888	7,066	—	7,066
	324,529	10,563	335,092	374,054	21,752	395,806

Governance costs included above comprise auditor's remuneration only.

6. Expenditure on: Support of the Carmelite Friars of the Aylesford Community

Group	Unrestricted funds	
	2020 £	2019 £
Living and personal expenses	47,946	66,212

7. Net (expenditure) income and net movement in funds

This is stated after charging:

Group	2020 £	2019 £
Staff costs (note 8)	663,551	694,052
Auditor's remuneration		
. Statutory audit services	10,631	10,551
. Other services: tax compliance	2,570	1,155
Depreciation	49,393	42,026

8. Staff costs and trustees' remuneration

Group	2020 £	2019 £
Staff costs during the year were as follows:		
Wages and salaries	573,970	636,309
Social security costs	30,617	35,304
Other pension costs	13,650	13,847
Redundancy payments	41,906	—
Other staff related costs	3,408	8,592
	663,551	694,052
Staff costs per function were as follows:		
Upkeep of the shrine	120,543	148,427
Provision of conference facilities, related accommodation, events and sale of books, gifts and refreshments	429,284	393,317
Support functions	113,724	152,308
	663,551	694,052

8. Staff costs and trustees' remuneration (continued)

No employee earned £60,000 per annum or more (including taxable benefits but excluding pension contributions) during the year (2019 – none).

The average number of employees, based on full time equivalents and analysed by function, was as follows:

Group	2020	2019
Shrine maintenance	5	7
Commercial trading operations	19	20
Support costs	3	3
	27	30

The average number of employees, based on headcount, was 56 in 2020 (2019: 60).

A number of the trustees are members of the Carmelite Order and, as such, certain of their personal living expenses are borne by the charity, but they received no remuneration in connection with their duties as trustees during the year (2019 – none). Incidental expenses of £108 (2019 - £61) were reimbursed to one trustee (2019 – one).

The charity has purchased trustees and individual insurance to indemnify the trustees or other officers against the consequences of any claim for a wrongful act. The insurance premium paid by the charity during the year totalled £621 (2019 - £517) and provides cover up to a maximum of £1 million (2019 - £1 million).

In addition to the trustees, the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis during 2020 comprised the Estates Manager, the Operations and Business Development Manager, the Catering Manager, the Hospitality Manager and the Prior's Secretary. The total remuneration (including taxable benefits, employer's pension contributions and employers national insurance contributions) of these employees was £170,477 (2019 - £176,680).

9. Taxation

The Friars, Aylesford is a registered charity and, therefore, is not liable to corporation tax or income tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

Profits of Aylesford Priory Limited, if any, are subject to corporation tax calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

10. Tangible fixed assets

Group	Leasehold improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2020	408,207	193,434	159,088	12,652	773,381
Additions	2,054	—	—	—	2,054
At 31 December 2020	410,261	193,434	159,088	12,652	775,435
Depreciation					
At 1 January 2020	44,454	149,945	129,176	9,254	332,829
Charge for year	24,964	13,746	8,984	1,699	49,393
At 31 December 2020	69,418	163,691	138,160	10,953	382,222
Net book values					
At 31 December 2020	340,843	29,743	20,928	1,699	393,213
At 31 December 2019	363,753	43,489	29,912	3,398	440,552

Charity	Leasehold improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2020	408,207	88,488	51,092	8,495	556,282
Additions	2,054	—	—	—	2,054
At 31 December 2020	410,261	88,488	51,092	8,495	558,336
Depreciation					
At 1 January 2020	44,455	69,329	40,012	5,097	158,893
Charge for year	24,964	6,072	2,216	1,699	34,951
At 31 December 2020	69,419	75,401	42,228	6,796	193,844
Net book values					
At 31 December 2020	340,842	13,088	8,864	1,699	364,492
At 31 December 2019	363,752	19,159	11,080	3,398	397,389

The charity's objective is to promote for the benefit of the public the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford. The freehold title to The Friars, Aylesford is held by The Carmelite Charitable Trust, a registered charity and a connected entity to the charity (see note 16). In 2002 the charity was granted a 99 year lease over the site and pays an annual rent of £200 to the Carmelite Charitable Trust. No value has been assigned to this lease in these financial statements. The site is of historic importance generally and specifically to the Roman Catholic Church and as noted above, the principal objective of the charity is to preserve the site for the enjoyment of future generations. As such, the asset meets the definition of heritage assets in the Charities SORP FRS 102 and is not valued for the purposes of these financial statements.

Leasehold improvements include £2,054 (2019 - £73,167) in relation to assets under the course of construction.

11. Investments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Investment in subsidiary company		—	1	1

Investment in subsidiary company

The charity holds 100% of the issued share capital of Aylesford Priory Limited. This holding was acquired on incorporation of the company on 10 November 2008.

The following is a summary of the financial statements of Aylesford Priory Limited for the year ended 31 December 2020, which have been included in the consolidated financial statements.

	2020 £	2019 £
Turnover	270,979	936,654
Cost of sales	(612,794)	(781,450)
Gross (loss) profit	(341,815)	155,204
Administrative expenditure	(97,848)	(113,582)
Other income: Coronavirus Job Retention Scheme	168,735	—
Operating (loss) profit	(270,928)	41,622
Deed of Covenant to The Friars, Aylesford	—	(45,165)
	(270,928)	(3,543)
Retained profit at 1 January 2020	30,369	33,912
(Accumulated losses) retained profits at 31 December 2020	(240,559)	30,369

At 31 December 2020 the company had total net liabilities of £240,558 (2019 – total net assets of £30,370) represented by called up share capital of £1 (2019 - £1) and negative reserves of £240,559 (2019 – £30,369).

12. Debtors

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	11,449	56,847	2,804	2,622
Amounts due from the Carmelite Charitable Trust (note 16)	4,402	377	3,529	—
Other debtors	15,322	11,181	14,412	7,564
Legacies receivable	43,363	—	43,363	—
Prepayments	78,924	64,290	74,150	59,225
Amounts due from Aylesford Priory Limited	—	—	312,854	260,837
	153,460	132,695	451,112	330,248

13. Creditors: amounts falling due within one year

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Bank overdraft	—	310,640	—	310,640
Expense creditors	67,323	31,405	58,629	13,753
Social security and other taxes	(80)	25,570	—	—
Other creditors	12,587	7,510	5,762	1,625
Amounts due to the Carmelite Charitable Trust (note 16)	—	962	—	962
Accruals and deferred income	54,142	60,692	11,621	7,405
	133,972	436,779	76,012	334,385

Income has been deferred where it relates clearly to future periods and/or where the charity has not yet met the conditions for recognising the income. The movements in deferred income are analysed below:

	2020 £	2019 £
Brought forward	25,720	10,100
Released in the year	(25,720)	(10,100)
Deferred in the year	22,095	25,720
Carried forward	22,095	25,720

14. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

Group and charity	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Restoration fund	347,449	25,959	(10,563)	(2,054)	360,791
Peace garden fund	17,931	20	(460)	—	17,491
	365,380	25,979	(11,023)	(2,054)	378,282

Group and charity	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Restoration fund	395,009	10,559	(21,752)	(36,367)	347,449
Peace garden fund	18,214	453	(736)	—	17,931
	413,223	11,012	(22,488)	(36,367)	365,380

Restoration fund

This fund represents donations received from the Carmelite Charitable Trust for maintenance projects which are only to be carried out after approval by the Trustees of the Carmelite Charitable Trust. The transfer from the restoration fund to unrestricted funds represents eligible capital expenditure incurred during the year.

14. Restricted funds (continued)

Peace garden fund

This fund represents donations received for the creation of a peace garden at the entrance to the Friars.

15. Analysis of net assets between funds

Group	Unrestricted funds			Restricted funds £	Total 2020 £
	General funds £	Tangible fixed assets fund £	Non- charitable trading funds £		
Fund balances at 31 December 2020 are represented by:					
Tangible fixed assets	—	364,493	28,720	—	393,213
Net current assets (liabilities)	278,761	—	(269,278)	378,282	387,765
Total net assets	278,761	364,493	(240,558)	378,282	780,978

Group	Unrestricted funds			Restricted funds £	Total 2019 £
	General funds £	Tangible fixed assets fund £	Non- charitable trading funds £		
Fund balances at 31 December 2019 are represented by:					
Tangible fixed assets	—	397,389	43,162	—	440,551
Net current assets (liabilities)	3,750	—	(12,792)	365,380	356,338
Total net assets	3,750	397,389	30,370	365,380	796,889

Charity	Unrestricted funds		Restricted funds £	Total 2020 £
	General funds £	Tangible fixed assets fund £		
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	—	364,492	—	364,492
Investments	1	—	—	1
Net current assets	278,760	—	378,282	657,043
Total net assets	278,762	364,492	378,282	1,021,536

15. Analysis of net assets between funds (continued)

	Unrestricted funds		Restricted funds	Total 2019
	General funds	Tangible fixed assets fund		
Charity	£	£	£	£
Fund balances at 31 December 2019 are represented by:				
Tangible fixed assets	—	397,389	—	397,389
Investments	1	—	—	1
Net current assets	3,750	—	365,380	369,130
Total net assets	3,751	397,389	365,380	766,520

16. Connected charities

The Friars, Aylesford is connected to the Carmelite Charitable Trust by virtue of the fact that several of the trustees of the charitable company are also trustees of the Carmelite Charitable Trust (Charity Registration No. 1061342).

The transactions with the Carmelite Charitable Trust during the year are as follows:

- ◆ The Friars, Aylesford received a restricted grant of £nil towards the restoration project (2019 - £5,559), unrestricted grant of £120,000 (2019 - £113,432) and rent of £4,200 (2019 - £4,800) from the Carmelite Charitable Trust.
- ◆ At 31 December 2020 The Friars, Aylesford owed £4,402 to The Carmelite Charitable Trust (2019 – £585 owed by The Friars, Aylesford to The Carmelite Charitable Trust).

The Carmelite Charitable Trust holds the freehold of Aylesford Priory. No rent was paid by the charity in the period, but the charity and its subsidiary absorbed all the running costs of the Priory, including all repair and maintenance costs.

The Carmelite Charitable Trust has confirmed that it will continue to provide financial support to the group as and when required to enable it to meet its liabilities as they fall due over the short to medium term.

The charity has taken advantage of the exemption provided by FRS 102 for the requirement to disclose transactions with its subsidiary undertaking.

17. Lease commitments

As at 31 December 2020 the Friars, Aylesford had total future commitments under non-cancellable operating leases due as follows:

	2020 £	2019 £
Office equipment		
Within one year	1,379	2,029
Within one to two years	1,724	3,102
	3,102	5,131

Banking arrangements

The charity's bank accounts form part of a centralised banking system operated with the Carmelite Charitable Trust. Cash and cash equivalents for the group were £341,247 as at 31 December 2020 (£310,020 as at 31 December 2019), which includes an overdraft of £nil (2019 - £310,640). This has been underwritten by the Carmelite Charitable Trust.

18. Capital commitments

At 31 December 2020, the charity had capital commitments in respect to work authorised but not contracted for on the repair to the roof of the church situated on the site of The Friars, Aylesford. The work is anticipated to cost approximately £325,000 with £209,745 being funded from a grant from the Programmes of Major Works Scheme which is part of the Cultural Recovery Fund, the government's £1.57 billion support package to protect the country's cultural, arts and heritage organisations. The balance of the cost will be met by the charity itself.