

The Friars, Aylesford

Annual Report and Consolidated Financial Statements

Year ended 31 December 2021

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	Rev Brendan Grady, O. Carm. Rev Patrick O’Keeffe, O. Carm. Rev Francis Kemsley, O.Carm. Isabel Bodunrin
Advisers to the Trustees	Mr Jonathan Louth Mrs Jan Wilkinson Mr Simon Howell
Secretary	Mrs Clare Abbotson
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 84 Eccleston Square London SW1V 1PX

FOREWORD

2021 was not without challenges – the continuous difficult situation with the coronavirus pandemic forced us to quickly adapt and in doing so we learnt a lot about how to best serve our visitors with cost saving at the centre of everything.

Nonetheless, I am immensely proud of what we have achieved in what continues to be challenging times. The collective team spirit of our staff is commendable, and I remain grateful for their hard work, dedication, and commitment. I am also proud of the Group's financial results which is testament to its strength and resilience, but also to the creativity of our teams.

Despite trading for just six months the Group returned a combined surplus of £328,322 which was better than forecast.

We were fortunate to receive some legacies and donations and some help from government grants. During the year, we also received grants from the programme of Major Works Scheme which is part of the Cultural Recovery Funds towards repairs to the roofs of our chapels.

Whilst the pandemic prevented in person gathering, we continued to hold directors' and board of trustees' meetings online.

Looking forward, despite the varied challenges presented by the pandemic, there are many reasons for us to be cautiously optimistic. Amongst them is the introduction of Creative Aylesford, a development group which is aimed at reflecting the desire for developing more partnerships to a greater degree than ever before.

As we enter 2022, we will continue to evolve and innovate to best meet the needs of our visitors; for example, providing internet service in our guest house, chapels and shrine area. There is much more to do, and we will continue to work with all our stakeholders to achieve this.

I could not sign off without recognising the impact that our board of trustees and advisers' team have had on the success of our strategy. They have devoted so much time and effort to the Group in this challenging period.

I have no doubt that the passion, dedication and sheer determination of our teams will ensure that we continue our strong road to recovery in the coming year. I also believe that our proven ability to be flexible in our approach will serve us well in the years to come.

Pearl Nyafli

Operations and Business Development Manager

Trustees' report Year ended 31 December 2021

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 2021. 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 36 to 40 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, better known as The Friars, first came into the hands of the Carmelites in 1242. There are a number of medieval buildings still standing that are Grade I listed. They include two walks of the Cloisters, the Cloister Chapel, Priors' Hall, and Pilgrims' Hall which still provide hospitality to guests and pilgrims. One building provides accommodation to a community of Carmelite Friars. The Community returned in 1949 after leaving at the Dissolution of the Monasteries in 1538. A new Gothic style outdoor Shrine was built. Work began in 1958. It has a fine collection of religious modern art and was recently Grade II* listed.

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 overnight 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 Charitable 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 formed in 2010.

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, people of other faiths, 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 2021

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 models, 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. It is worth noting that in early January 2021, England entered the third national lockdown due to the Omicron virus and there was subsequently a phased easing of restrictions for different sectors of the economy.

A grey tick  therefore indicates our objectives were partially achieved due to the continued impact of the pandemic during 2021.

Daily Visitors	From July 2020, Masses were held on the Main Shrine four days a week. This was made possible by having a marquee erected (with permission from Historic Churches Southeast) over the Shrine for six months. The marquee was loaned by a benefactor. These outdoor Masses were very popular, and people came from afar. People felt The Friars was a safe and prayerful place to visit and outside Masses remained until October 2021. There is a friar available three hours a day to see pilgrims for confessions and other spiritual matters.			
	Partnership	Inclusivity	Stewardship	Accountability
				

Trustees' report Year ended 31 December 2021

Principal Activities (continued)

Pilgrimages	<p>Due to the continuous impact of Covid-19 pandemic all pilgrimages due to take place before July 2021 were cancelled. Pilgrimages resumed with Our Lady of Mount Carmel pilgrimage on 11 July 2021. All pilgrimages that came after the month of July were understandably smaller than usual. The Goan pilgrimage was the largest. 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. We hosted only 11 groups between the months of July and October 2021, which was 55% of the 20 planned. A pilgrimage secretary has been employed to look after our visiting groups and to encourage bookings. The pilgrimage secretary works with Catholic dioceses or societies, and a variety of Christian denominations. Contacts also include Primary and Secondary Schools, Adult Education, University of the Third Age and Groups with Disabilities and Special Needs. There are no fees for these bookings; however, voluntary donations are often received. During 2021, sacristy work was carried out by the Carmelites and the pilgrimage secretary, acting as the Sacristan, left our employment and was not replaced.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	

Educational Tour Groups	<p>We offer educational tours for groups covering the history of the Carmelite Order here at Aylesford, the art work, Christian education 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 in 2021 there were no educational tours due to the impact of the pandemic.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
		✓	✓	

Trustees' report Year ended 31 December 2021

Principal Activities (continued)

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. These were updated in 2021 by the pilgrimage Secretary and Carmelite Young People's Coordinator. 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. We had 17 school groups visiting from 23 June 2021, several of whom visited more than once			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Outreach Programme for Schools and Young Adults	Southwark Catholic Youth Service (SCYS) was disbanded in March 2020, as St Vincent's Centre in Whitstable had to close. In September 2021, the Carmelite Charitable Trust employed a Carmelite Young People and Formation Commission Coordinator. It is hoped that a new Youth Community will become established in the Gatehouse. The Community of Friars will work with schools and other youth projects.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Retreats	Due to pandemic restrictions, there was just one Retreat held in 2021, a Grief and Loss Retreat, which was attended by 10 people. All the participants suffered bereavements during the pandemic and more such retreats are now being offered. We usually 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. 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.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	

Principal Activities (continued)

Fundraising Activities	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 2021, the pandemic prevented us from holding the Summer Fayre, but we managed to hold the Christmas event, which was a great success. Despite the pandemic, we distributed approximately 22,000 pilgrims' newsletters to around 6,500 people and we have an informative website which is regularly updated and maintain regular social media presence, including invitations to, and reviews of, events. We do not use professional fundraisers or participators.			
	Partnership	Inclusivity	Stewardship	Accountability
	✓	✓	✓	
Maintenance and Restoration	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 2021, refurbishment work on our guest rooms continued. Drainage improvements to the Chapel roofs and the painting of the tribune of the Relic Chapel and Confessionals was carried out, largely paid for by a Government Cultural Recovery Grant.			
	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 2021 due to the impact of the pandemic.</p>			
	Partnership	Inclusivity	Stewardship	Accountability
		✓	✓	✓

Principal Activities (continued)



Picture of Light up a Life – With Heart of Kent Hospice

Volunteers

The continued Covid-19 restrictions throughout much of the reporting year made it challenging for our volunteers to provide the same level of service we had in pre-pandemic times. It was only after the various lockdowns were lifted that a few volunteers felt confident enough to visit and give their service. 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: The Peace Garden Gardening group, and Pastoral, Domestic and Fundraising groups. 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 hopes to address this by attracting new volunteers.

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 some 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 Peace Garden group assists the Estates Team to maintain the grounds and usually meets and tends the gardens each Thursday and Saturday.

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

Trustees' report Year ended 31 December 2021

Volunteers (continued)

Due to the pandemic, there was limited volunteering opportunity in the first six months of the year but once restrictions were lifted, the Peace Garden Group reconvened, and volunteers assisted with our Christmas Fayre in November 2021.

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

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 2021

This time last year (2020) we would've been forgiven for thinking that 2021 would see all our economic worries melt away, instead, we experienced the worst form of déjà vu, with the hospitality industry suffering further restrictions, and the understandable concerns caused by the Omicron variant impacted severely on our operations.

Trading for only six months of the year meant that some of our goals were partially achieved as illustrated in the table below:

<i>What we said we would do in 2021</i>	<i>What we did in 2021</i>
1. Deliver the agreed 2021 break-even budget	The Group made a combined profit of £328,322 of which Aylesford Priory Limited made a loss of £31,990 and The Friars Aylesford make a surplus of £360,312. The surplus for the charity was a result of generous donations and legacies received.
2. Continue to invest in specific priority capital and maintenance projects approved by the board to be funded by accumulated reserves brought forward from 2020	<p>Continued works to the Shrine roofs with the help of a cultural recovery grant is taking place in two phases, which will continue through to 2022. The rainwater disposal, previously through pipes hidden in walls, will mostly have been brought out to the exterior, minimising leaks caused by blockages.</p> <p>The kitchen garden peg tile roof was repaired.</p> <p>The Gatehouse convent facilities were also repaired.</p> <p>There were urgent repairs to the boundary / Rosary Way wall.</p>

Achievements and Performance in 2021 (continued)

3. Develop a three-year business plan and a more formalised reserves policy	The development of this plan was not achieved and was deferred to 2023 – given the ongoing uncertainties with the pandemic during much of 2021.
4. To further the plans for the development of a new Pastoral Centre	In September 2021 the province employed a Carmelite Young People and Formation Coordinator, and part of their job is to develop a young adult community, based at The Friars Aylesford. This community would be able to develop programmes and support young people both at The Friars and beyond.

Fulfilling our mission 2021

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. Once the pandemic restrictions were eased, pilgrimages resumed from early July 2021.

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 Changeling Theatre Group put on A Midsummer Night's Dream in the month of July.

The Friars continued to play host to the Farmers' market even during lockdown restrictions as outside markets were permitted to operate.

Be inclusive

Aylesford Scouts continued to use the Brocard Room for their meetings. It is worth noting that the Brocard Room was also used by other groups, such as the Enamellers, the Woodturners and Syro Malabar group.

Aylesford Pottery offered limited classes to groups with learning disabilities (Emotional Behaviour Disorder). These classes inspire many visitors to develop new skills. The Potters' work with schools and disability groups gathered more momentum after lockdown restrictions were fully lifted in July.

The Alcoholics Anonymous (AA) meetings also resumed after the lockdown restrictions were lifted.

Our guesthouse continued to welcome people of all backgrounds, abilities, ages and all faiths and none. Between the months of July and December, we hosted a number of small groups, like mindfulness training groups, yoga and reiki groups.

Fulfilling our mission 2021 (continued)

Acting responsibly as stewards of the buildings and the physical environment

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. In September 2021, the province appointed a Carmelite Young People and Formation Coordinator. Part of this role is to develop a young adult community based at The Friars Aylesford. This community would be able to develop programmes and support young people both at The Friars and beyond. The advisors are in the process of developing appropriate accommodation and facilities on site. The coordinator is also developing resources and developing partnerships to support the project.

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.

Capital commitments

2021 was not a normal year for capital or running expenditure on the estate. We completed the 2020 programme of works to the shrine roofs funded, unexpectedly, by the UK Government's Cultural Recovery Fund's Programmes of Major Works Scheme: that second project – the first having been self-funded – left some items of roofing and rainwater disposal still undone. We were surprised to obtain a further grant in late 2021 so works will continue into 2022, completing the over-whelming majority of high-level deficiencies in the shrines. The rainwater disposal, previously through pipes hidden in walls, will mostly have been brought out to the exterior minimising leaks caused by blockages.

Capital commitments (continued)



Above: Repair works on chapel roofs

There was less wear and tear on facilities, but we had less staffing during the pandemic so fewer tasks were undertaken: that slightly reduced the maintenance budget outlay and made it just about manageable with the two available estates staff. During late 2021, we moved to appoint a third person to complete the team.

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, which reassures us on the capital expenditure projects.

Beside (and despite) the problems of the pandemic, the Estate Manager continued the annual risk assessments and his programme of health & safety, security, electrical and mechanical checks, and inspections, addressing matters from red to amber to green on the relevant reports, as and when received.

Capital commitments (continued)

The quinquennial architect and a building services consultant brought reports and tenders for one of the five boiler systems to fruition: the work, delayed from 2020, will proceed in 2022. Monitoring of the environmental conditions in St Ann's Chapel has continued. The grant-funded work includes an element of environmental and conservation analysis and reporting: those consultants will have to be appointed to advise on statuary, sgraffito, and ceramics including the Rosary Way. The architect has embarked on a phased repair of stone walls (walled garden, riverside, buttresses and the like).

Work to improve the bedrooms in the older visitor wings of the estate proceeded in 2020 with some en-suite bathrooms and re-furbishing of six rooms: however, the scope of work did not improve acoustic insulation or electrical systems (to offer kettles or tea-points and the like). Plans for a further 3 rooms were shelved during 2021, in part as the staff had too little time and the price from external contractors was beyond the allocated budget. The Prior has obtained promise of funding for further upgrades from a Trust. It will be necessary in 2022 to identify whether the upgraded rooms bring a better return on income and occupancy rates, whether the loss of bedrooms in forming en-suites would affect the groups who book and whether the Local Planning Authority would need to give listed building consent for further radical alterations.

The Potters had previously undertaken to build a small additional building at their expense (which they completed) and the local Tree Surgeon similarly made improvements to the horse field (top field) which he rents. Both licenses were redrafted to reflect that: this work provides a blueprint for other tenants and license holders, who also have skills to maintain or improve the estate. The Upholsterer asked to undertake a comparable development along similar lines and that initiative will need to be followed through if feasible. The firm that advises and runs our IT/Internet infrastructure similarly asked to co-locate on the site and discussions/license should progress in 2022.

It should be noted that neither construction costs, nor construction labour, are easier to manage than before the pandemic: few firms tender for works, unless it is very clearly straight-forward and within their main skillset. If they tender, then their availability to concentrate on the estate, compared with their other more regular or larger clients, is poor. Accordingly, the Estates Manager and Estates Group Chair proposed gradually negotiating "term contracts" for the most relevant contractors and sub-contractors: the intention has been agreed and will have to be followed through, according to a sequence of largest or most frequently needed skills being prioritised. An element of competitive scrutiny (or value certainty) will be achieved through the negotiations being led by the quinquennial architect.

These matters, and the enthusiasm of new senior management staff to look once more at local contracts for supplies and local partners for events, led to re-establishing the Aylesford Development Group with a new name, Creative Aylesford, reflecting an aspiration to work with partners and suppliers whose local network will expand the outreach and effective mission of the Community. Creative Aylesford has offered the chance to align events and buildings redevelopment, with revenue and capital expenditure priorities.

Trustees' report Year ended 31 December 2021

Capital commitments (continued)

Hence, as reported in 2020, the 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. It will be necessary in 2022 to expand the Creative Aylesford group to include representatives of the Carmelite province, so that The Friars Aylesford (TFA) and Aylesford Priory Limited (APL) can be assured that ideas and plans also match the aspirations of the Carmelite Order beyond our own boundaries.

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 pump systems, would be reimbursed through legacy income and other financial support from the province. We decided in 2021 to seek a discussion with the province, more clearly to allocate responsibilities for the building assets and to reconfirm terms of reference: the request was agreed, and the discussions will commence in 2022.

When that division of financial responsibilities is agreed, it will be easier to allocate works for the decade 2023-2032 that will follow the 2023 Quinquennial survey.

What we do for public and community outreach

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 are 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 2021.

The Friars continues to encourage event organisers to arrange their events on the grounds including classic and vintage car shows, bike shows and several dramatic performances.

Fulfilling our Objectives in 2021

Be accountable to all stakeholders

The Friars' quarterly pilgrims' newsletter continued to be very important means of sharing information with our visitors, bringing a message of hope and spirituality to them. In 2021, well over 6,000 newsletters were circulated to people throughout the United Kingdom and the Republic of Ireland and beyond. Our readership continued to find newsletters very beneficial during the pandemic because it was the only way they could keep in touch with The Friars.

Fulfilling our Objectives in 2021 (continued)

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 2021 from when Masses were held four days in the week outside on the Shrine. We also held a special mass for the victims of Covid on 11 September. The Syro-Malabar community joined us for Mass twice a month and they provided stewards for Mass. The Choir Chapel was opened for prayer three days a week.

The usual Lent Talks were unable to take place due to restrictions.

In 2021, some Schools continued to visit in September when restrictions were eased but these were prone to last minute cancellations due to year groups having to suddenly self-isolate. These schools offer 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.

We had groups who visited for the first time and hope to organise a pilgrimage in 2022, notably the Association of Polish Knights of Malta and a group from the Vietnamese community in South London.

As usual, we hosted the national gathering of the Carmelite Order and the year ended with the Heart of Kent Hospice "Light up a Life" event on 5 December.

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 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 sporadic. We managed to host our yearly Christmas lunch with great pleasure to our clients.

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 2021, 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.

Trustees' report Year ended 31 December 2021

Financial Review

Part of the year was marked by the severe disruption caused by the global pandemic, but nonetheless, this has been a fairly good year for us, where financial results are concerned. We adapted quickly and had a strong post covid recovery plan in place. We understood that consumer confidence was not back to pre-pandemic levels and had to find a way of attracting our customers back. The trustees' stated aim in December 2020 was for the group to achieve a balanced budget and a continued commitment to invest in overdue maintenance projects.

The final results for 2021 have significantly exceeded our expectations which were for loss of income and, combined with the agreed cost savings that were achieved, by not immediately replacing staff (following on from unavoidable redundancies in 2020), meant that we ended the year with a combined net operating surplus of £328,322. This overall result was made possible due to the receipt of the UK Government Coronavirus Job Retention Scheme grant, the local authority business support grants, legacies, and generous donations. The team were resilient and worked hard to save on salaries and other overhead costs.

General Funds

Despite not trading for a full year, the consolidated statement of financial activities shows that the Group (The Friars, Aylesford and Aylesford Priory Limited) returned a surplus of £328,322.

The trading activities of Aylesford Priory Limited was a loss of £31,990 (2020: £270,928 loss), (please see note 11). However, a surplus of £360,312 (£255,017 in 2020) was made by the Charity, resulting in a Group surplus of £328,322 (2020: loss of £15,911)

General reserves were £434,924 compared to £278,761 in 2020.

Restricted Funds

£378,282 (2020: £365,380) of restricted funds were brought forward into 2021, represented by £17,491 (2020: £17,931) for the Peace Garden and £360,791 (2020: £347,449) for the Restoration Fund.

Carried forward Restricted Funds as at 31 December 2021 are £311,869 (2020 £378,282) comprising £294,392 for the Restoration Fund and £17,477 for the Peace Garden.

Total funds as at 31 December 2021 were £1,109,300 (2020: £780,978) represented by £311,869 (2020: £378,282) of Restricted Funds, £635,055 of Tangible Fixed Assets (2020: £364,493), a shortfall of £(272,548) in Aylesford Priory Limited Funds/Reserves (2020: £(240,558)) and £434,924 of General Reserves (2020: £278,761).

Income

The Group income for 2021 by activity is shown in figure 1 below, and figure 2 shows the increase in income from 2020 to 2021 by activity.

Trustees' report Year ended 31 December 2021

Financial Review (continued)

Income (continued)

Figure 1 – 2021 Group Income by Activity

The Total income for the group was £1,369,703.

Category	Income	% share
APL	£456,871	33.4%
Legacies	£77,181	5.6%
Unrestricted donations	£168,489	12.3%
Restricted donations	£249,099	18.2%
Rental Activity	£38,114	2.8%
Fayres	£39,184	2.9%
Shrine Activity	£71,172	5.2%
Car Park donations	£3,217	0.23%
Carmelite Charitable Trust donation	£120,000	8.8%
Coronavirus job retention grant	£91,978	6.7%
Business support grants	£54,398	4%
Total Income	£1,369,703	100%

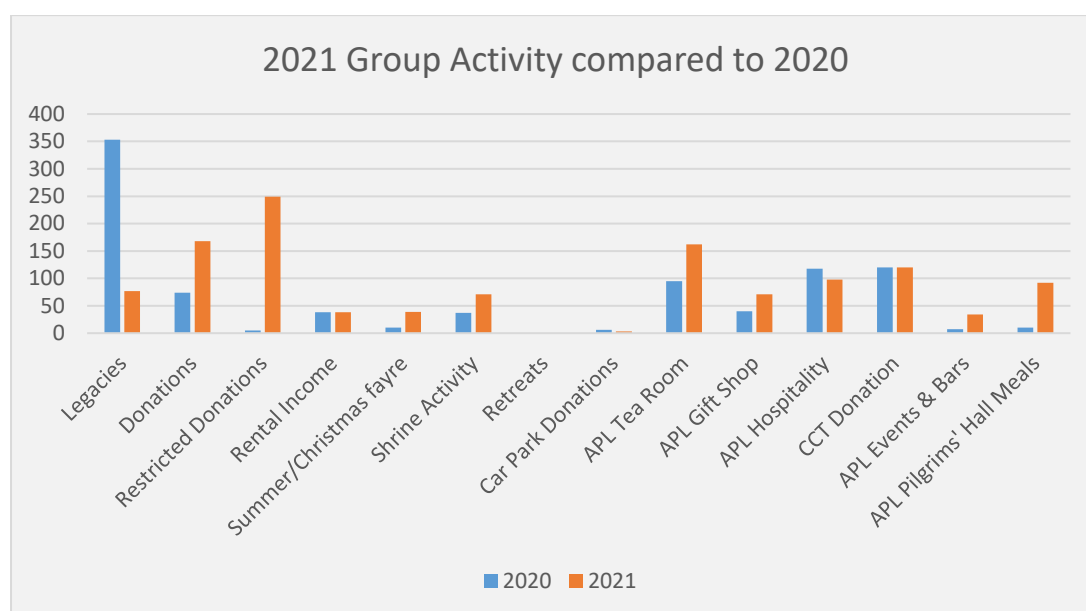
Within the above total income, Aylesford Priory Limited turnover was £456,871 (made up of: - Hospitality, £97,723; Tearoom, £161,656; Gift shop £71,473; Events/bars £34,278; and Pilgrims' Hall £91,742). All other income was derived from activities of The Friars Aylesford: - legacies £77,189; unrestricted donations £168,489; restricted donations £249,098; rental activity £38,114; fayres £39,184; shrine activity £71,172; car park donations £3,217; the Carmelite Charitable Trust donation £120,000; Coronavirus Job Retention Scheme grant of £91,978; and Covid-19 business support grants of £54,398.

The majority of this income was earned between the months of July and December.

Financial Review (continued)

Income (continued)

Figure 2 – 2021 Group Income by Activity compared to 2020



Turnover of Aylesford Priory Limited from the provision of hospitality (conference facilities and guest accommodation), events, sale of books, gifts and refreshments was £456,871, up by £185,892 (69%) from 2020.

Figure 2 highlights which department's income improved or declined in 2021 compared to 2020. Sales from our Hospitality department were £98k, down by 17% against 2020 (£118k in 2020). Tea Room's sales were £162k, 71% up against 2020 (£95k in 2020). The Gift Shop's sales were £71k, up by £31k (80% up) in comparison to 2020 (£40k). Pilgrims' Hall's sales were £92k, up by £19k which was 26% up on last year (2020 £73k). Events and bars were £34k, up (325%) against £8k in 2020.

Results from our charitable activities were very positive in 2020, with increasing income especially from legacies. We received a total of £77,181 in legacies in 2021, in contrast to £353,143 in 2020, a decrease of 78%.

Our unrestricted donations were £168k up £93k on last year (up 124%). Shrine activity was £71k up by £34k (92%) on last year (£37k in 2020). Summer fayre was cancelled but we hosted the Christmas fayre bringing an income of £39k which was 118% up against 2020 (£10k).

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 (2020 £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.

Financial Review (continued)

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 £523,154, down 15% against 2020 (£612,794). Whilst group income of £1,369,703 was also increased by 23% in comparison to £1,109,355 in 2020.

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, the summer fayre was cancelled but we still managed to generate a healthy income of £39,184 (£10,000 in 2020) from the Christmas fayre alone. We remain hopeful that the ability to hold events returns 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 £56,102 (£47,946 in 2020) which is up 17% year on year.

Table 1 below shows that expenditure in 2021 on the upkeep of the shrine (note 5) was up 5% on 2020. The expenditure on premises and facilities costs was on par with the previous year 2020 (at -0.45%).

Direct costs of £60,859 (2020 £49,994) up 22% were made up of purchase of candles, memorial benches and plaques, direct staffing costs, utilities, cash handling, chapel ad hoc expenses and general expenses. Other indirect staff costs were £35,715 (2020 £29,606) up by 21%.

Table 1- 2021 Expenditure on upkeep of the shrine compared to 2020

	2020	2021	% Difference
Governance costs	£10,888	£9,021	-17.1%
Office costs	£9,645	£12,345	+27.9%
Premises & Facilities costs	£234,959	£233,892	-0.45%
Indirect Staff costs	£29,606	£35,715	+20.6%
Direct Shrine costs	£49,994	£60,859	+21.7%
Total	£335,092	£351,832	+5.0%

Trustees' report Year ended 31 December 2021

Financial Review (continued)

Reserves

At 31 December 2021 unrestricted general funds amounted to £434,924 (£278,761 in 2020).

Since 31 December 2013, unrestricted general funds have improved from an unrestricted deficit of £231,052 to unrestricted funds in hand of £434,924 as noted above.

During the year, restricted funds have decreased from £378,282 (31 December 2020) to £311,869 (made up of Peace Garden £17,477 and Restoration fund £294,392) at 31 December 2021.

The total funds at 31 December 2021 are a surplus of £1,109,300 (2020 £780,978).

These total funds are represented by tangible fixed assets of £654,897, net current assets of £454,403 (2020 £387,765) including within net current assets a net cash position of £366,866 (2020 £341,247). 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 2021, most notably because of the Covid-19 pandemic, the Trustees recognise that the historic buildings at Aylesford require significant material investment. Therefore, in 2022, 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.

In 2020, the Trustees considered a new financial strategy considering the next three years. The implementation of this continues to be delayed due to Covid-19, so further discussions will be held in 2022, 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.

Trustees' report Year ended 31 December 2021

Risks (continued)

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 2021 were:

Identified Risk	Impact	Existing Controls	Further Controls implemented
1. Financial performance and sustainability	<p>External economic or environmental factors - continued impact of Covid-19 on trading income.</p> <p>Other internal or external "crisis" leading to unexpected increased expenditure for example damage caused by storms on our buildings.</p>	<p>Regular monitoring, review, and proactive management of financial position by the management team.</p> <p>Ensure insurance plan is in place.</p>	<p>Team adapted ways of working.</p> <p>Sought support from Carmelite Charitable Trust as needed.</p>
2. Impact of increased energy prices	Prices expected to more than double, consequently impacting on our overhead costs and affecting the overall bottom-line.	Explore fitting solar panels in the future.	Energy saving ideas implemented.
3. The longer-term UK economic effect of the Covid-19 crisis	Further reduction in gross income impacting proposed future forecasts.	Team being agile and different ways of working.	Developing strategic plans to mitigate risks. Flex our approach in every aspect.
4. Staff turnover and succession planning	<p>Difficulty in recruiting the right calibre post pandemic.</p> <p>Managing the uncertainty in the talent pipeline to fill in vacancies as others retire.</p>	<p>Continuous recruitment and staff are multi skilled.</p> <p>Identify potential successors and determine when they will be ready. Determine what development needs they may have.</p>	<p>Work closely with recruitment agencies.</p> <p>Create a talent pipeline.</p>

Plans for the future

<i>What we aim to do in 2022</i>	<i>How</i>
1. Deliver the agreed 2022 budget.	We will continue to focus on bringing annual expenditure in line with our income by targeting our resources on our core mission, to achieve better services for visitors. The external environment, including the trajectory of post pandemic recovery remains uncertain, and we are clear that we need to remain agile and be able to be flexible to meet the changing demands of our clients.
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 2021.	Continue working with Estates Sub-group and the Estates Manager and regularly review progress on agreed projects: <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 including Brocard room, Hermitage, and electrical repairs. ◆ Continue monitoring humidity levels in St Anne's Chapel and commence conservation. ◆ 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.
4. To redefine terms of reference and responsibilities for areas of expenditure.	Trustees will draft a paper and open discussions with CCT regarding the responsibilities of CCT, TFA, APL for protecting the historic assets, undertaking major maintenance and repairs or undertaking running repairs and renewals. This arises out of consideration of what the province would do at Aylesford if there were no trading company.

Trustees' report Year ended 31 December 2021

Plans for the future (continued)

<i>What we aim to do in 2022</i>	<i>How</i>
5. To collaborate with CCT regarding the province plans for the development of a new Young Peoples' programme in the Gatehouse and walled garden	Support the project by providing adequate relevant resources to help drive forward this exciting venture: responsibility for the capital expenditure in this part of the estate should naturally transfer to CCT. We will explore the structure of an appropriate lease between CCT and TFA.

Covid-19 and the impact on going concern

External environmental events and the continuous impact of post pandemic recovery poses economic uncertainty for The Friars.

The coronavirus (COVID-19) pandemic has highlighted and heightened differences across society and economy, and the hospitality sector is no exception. While the sector itself has been severely affected, some sub-sectors within have fared better than others. Overall, turnover for the hospitality sector has remained below its 2019 levels throughout the pandemic, with July 2021 25% lower than July 2019 and our Hospitality department follow similar trends.

Throughout 2021, the hospitality industry has been hit hard by the coronavirus pandemic and the impact has been severe. In the case of Aylesford Priory, our trading was stopped between the months of January and June.

In the first half of the year, all planned events, including weddings and pilgrimages, were postponed and our only source of income came from donations and legacies. Pilgrims' Hall and our other trading outlets reopened on 19 July to offer the usual "walk-in" service. Trade picked up well and, in some departments, outperformed pre-pandemic results, which was very encouraging.

We looked at other ways of working and became agile and trained in other departments.

With the introduction of Creative Aylesford, the hope is to continue working with partners and suppliers whose local network will expand the outreach and effective mission of the community.

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

We recognise it remains important to continue to exercise stewardship of 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 expenditure levels (salaries and costs) in line with the lower levels included in the 2021 budget.

Trustees' report Year ended 31 December 2021

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

There was significant uncertainty around the charity's financial position and the Trustees looked to the Carmelite Charitable Trust to provide financial support during 2021 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 few factors, including the extent of travel bans and other restrictions, extending into 2022; the continued availability of government assistance (which was fully utilised in 2021) 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 maintaining 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.

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 2021, the Trustees met five times, with an Annual General Meeting on 12 July 2021.

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

- ◆ The Finance Group Acting Chair: Father Kevin Alban (deceased) & Fr Brendan Grady
- ◆ The Estates Group Chair: Jonathan Louth

The Trustees are supported by advisors: Jan Wilkinson (Finance), Jonathan Louth (Estates and Development) and Simon Howell (Legal 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.

Structure, governance, and management (continued)

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 TOMT 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 of the prior year.

Within the TOMT, 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.

TOMT members at the start of 2021 were: Pearl Nyafli – The Operations & Business Development Manager (Lead); Ros Duddell – Gift Shop Manager; Steve Hayden – Estates Manager and Clare Abbotson – Prior's and Trustees' Secretary. The Hospitality Manager and Catering Manager positions were not filled until September 2021.

In 2021, we continued to benefit from the Government's Coronavirus Jobs Retention Scheme and also from the Local Restrictions Grant from the local authority Tonbridge and Malling Council.

Key management remuneration 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;

Trustees' report Year ended 31 December 2021

Structure, governance, and management (continued)

Statement of Trustees' responsibilities (continued)

- ♦ 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.

Approved by the Trustees on: 18/07/2022

A handwritten signature in black ink, appearing to read 'Gordon Gray', is written below the approval date.

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 2021 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 2021 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
- ◆ 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, checking that all expenditure was approved in line with the charitable parent company's procedures and the group'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

22 August 2022

Consolidated statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations, grants and legacies	1	365,678	249,099	614,777	526,104	25,979	552,083
Other trading activities	2	534,161	—	534,161	319,561	—	319,561
Charitable activities	3	74,389	—	74,389	43,539	—	43,539
Other sources:							
. Coronavirus Job Retention Scheme		91,978	—	91,978	194,172	—	194,172
. Coronavirus Business Support Scheme		54,398	—	54,398	—	—	—
Total income		1,120,604	249,099	1,369,703	1,083,376	25,979	1,109,355
Expenditure on:							
Raising funds	4	644,034	—	644,034	741,768	460	742,228
Charitable activities							
. Upkeep of the shrine at Aylesford	5	330,658	10,587	341,245	324,529	10,563	335,092
. Support of the Carmelite Friars of the Aylesford community	6	56,102	—	56,102	47,946	—	47,946
Total expenditure		1,030,794	10,587	1,041,381	1,114,243	11,023	1,125,266
Net income (expenditure) before transfers		89,810	238,512	328,322	(30,867)	14,956	(15,911)
Transfers between funds	14	304,925	(304,925)	—	2,054	(2,054)	—
Net income (expenditure) and net movement in funds	7	394,735	(66,413)	328,322	(28,813)	12,902	(15,911)
Reconciliation of funds:							
Balances brought forward at 1 January 2021		402,696	378,282	780,978	431,509	365,380	796,889
Balances carried forward at 31 December 2021		797,431	311,869	1,109,300	402,696	378,282	780,978

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 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	10	654,897	393,213	635,055	364,492
Investments	11	—	—	1	1
		654,897	393,213	635,056	364,493
Current assets					
Stock		24,919	27,030	1,640	836
Debtors	12	173,855	153,460	546,031	451,112
Cash at bank and in hand		366,866	341,247	240,950	281,107
		565,640	521,737	788,621	733,055
Creditors: amounts falling due within one year	13	(111,237)	(133,972)	(41,828)	(76,012)
Net current assets		454,403	387,765	746,793	657,043
Total net assets		1,109,300	780,978	1,381,849	1,021,536
Represented by:					
Funds and reserves					
Restricted funds	14	311,869	378,282	311,869	378,282
Unrestricted funds					
. General funds		434,924	278,761	434,925	278,761
. Tangible fixed assets fund		635,055	364,493	635,055	364,493
. Non-charitable trading funds		(272,548)	(240,558)	—	—
Total funds		1,109,300	780,978	1,381,849	1,021,536

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



Brendan Grady
Trustee

Approved by the trustees on: 18/07/2022

Consolidated statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
. Net cash provided by operating activities	A	316,866	33,280
Cash flows from investing activities			
. Purchase of tangible fixed assets		(291,247)	(2,054)
Change in cash and cash equivalents in the year		25,619	31,266
Cash and cash equivalents at 1 January 2021	B	341,247	310,021
Cash and cash equivalents at 31 December 2021	B	366,866	341,247

Notes to the statement of cash flows for the year to 31 December 2021.

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	328,322	(15,911)
Depreciation charge	47,135	49,393
Decrease in stocks	2,111	12,730
Increase in debtors	(20,395)	(20,765)
(Decrease) increase in creditors	(40,307)	7,833
Net cash provided by operating activities	316,866	33,280

B Analysis of cash and cash equivalents

	2021 £	2020 £
Total cash and cash equivalents:		
Cash at bank and in hand	366,866	341,247

C Analysis of changes in net debt

	2020 £	Cash flows £	2021 £
Cash at bank and in hand	341,247	25,619	366,866

Principal accounting policies 31 December 2021

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 2021 with comparative information provided in respect to the year to 31 December 2020.

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;
- ◆ Determining the basis for allocating shared overhead costs between the charity and its subsidiary company; and

Critical accounting estimates and areas of judgement (continued)

- ♦ 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 the assessment in respect to a period of at least one year from the date of approval of these accounts.

Having reviewed the financial position and future plans for the charity, the Trustees have identified no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue its activities for the foreseeable future.

The long-term economic outlook is uncertain and with the onset of the war in Ukraine and the surge in Coronavirus variants, the team here at The Friars have put a few measures in place to ensure financial stability. This includes finding smarter ways of working, embarking on various cost saving initiatives and regular cashflow forecasting. We will continue to closely monitor the impact of any government decision making and the impact on the economy from any crisis, and we will actively respond to any rapid changes.

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.

Donations and grants are recognised when the charitable parent company and/or group has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the charitable parent company and/or group is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charitable parent company and/or group and it is probable that those conditions will be fulfilled in the reporting period.

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.

Income (continued)

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.

Income from other sources comprises funding in connection with the Coronavirus Job Retention Scheme and Coronavirus Business Support 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 £801,198 (2020 - £669,641), total expenditure of £440,885 (2020 - £414,624), resulting in net income of £360,313 (2020 – net income of £255,017).

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.

Principal accounting policies 31 December 2021

Expenditure (continued)

- 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.

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, grants and legacies

Group	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Legacies	77,189	—	77,189	331,976	21,167	353,143
Donations	168,489	5,563	174,052	74,128	4,812	78,940
Grants for roof repairs (see below)	—	243,536	243,536	—	—	—
Grant from Carmelite Charitable Trust	120,000	—	120,000	120,000	—	120,000
	365,678	249,099	614,777	526,104	25,979	552,083

During the year, the charitable parent company and group received grants from the Programme of Major Works Scheme which is part of the Cultural Recovery Funds towards repairs to the roof of the church situated on the site of The Friars, Aylesford. The grants were administered through the Catholic Trust for England and Wales (CaTEW).

2. Income from: Other trading activities

Group	Unrestricted funds	
	2021 £	2020 £
Provision of conference facilities, guest accommodation, events, and sale of books, gifts and refreshments	456,871	270,979
Rental income	38,144	38,411
Other	39,146	10,171
	534,161	319,561

3. Income from: Charitable activities

Group	Unrestricted funds	
	2021 £	2020 £
Shrine income	71,172	37,428
Retreat centre	—	236
Car park contributions	3,217	5,875
	74,389	43,539

4. Expenditure on: Raising funds

Group	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Provision of conference facilities, accommodation, events, and sale of books, gifts and refreshments	600,496	—	600,496	710,643	—	710,643
Other	43,538	—	43,538	31,125	460	31,585
	644,034	—	644,034	741,768	460	742,228

5. Expenditure on: Upkeep of the shrine at Aylesford

Group	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Direct costs	60,859	—	60,859	49,994	—	49,994
Other indirect staff costs	35,715	—	35,715	29,606	—	29,606
Premises and facilities	212,718	10,587	223,305	224,396	10,563	234,959
Office costs	12,345	—	12,345	9,645	—	9,645
Governance costs	9,021	—	9,021	10,888	—	10,888
	330,658	10,587	341,245	324,529	10,563	335,092

Governance costs included above comprise auditor's remuneration only.

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

Group	Unrestricted funds	
	2021 £	2020 £
Living and personal expenses	56,102	47,946

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

This is stated after charging:

Group	2021 £	2020 £
Staff costs (note 8)	522,837	663,551
Auditor's remuneration		
. Statutory audit services	10,426	10,631
. Other services: tax compliance	2,240	2,570
Depreciation	47,135	49,393

8. Staff costs and trustees' remuneration

Group	2021 £	2020 £
Staff costs during the year were as follows:		
Wages and salaries	483,756	573,970
Social security costs	23,770	30,617
Other pension costs	11,577	13,650
	519,103	618,237
Redundancy payments	—	41,906
Other staff related costs	3,734	3,408
	522,837	663,551
Staff costs per function were as follows:		
Upkeep of the shrine	119,625	120,543
Provision of conference facilities, related accommodation, events and sale of books, gifts and refreshments	312,080	429,284
Support functions	91,132	113,724
	522,837	663,551

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 (2020 – none).

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

Group	2021	2020
Shrine maintenance	4	5
Commercial trading operations	16	19
Support costs	3	3
	23	27

The average number of employees, based on headcount, was 45 in 2021 (2020: 56).

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 (2020 – none). Incidental expenses of £87 (2020 - £108) were reimbursed to one trustee (2020 – 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 £839 (2020 - £621) and provides cover up to a maximum of £1 million (2020 - £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 2021 comprised the Operations and Business Development Manager, the Estates 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 £136,972 (2020 - £170,477).

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 £	Office equipment £	Total £
Cost or valuation						
At 1 January 2021	410,261	193,434	151,309	12,652	7,779	775,435
Additions	304,925	3,894	—	—	—	308,819
Disposals	—	(91,393)	(80,281)	(4,157)	—	(175,831)
At 31 December 2021	<u>715,186</u>	<u>105,935</u>	<u>71,028</u>	<u>8,495</u>	<u>7,779</u>	908,423
Depreciation						
At 1 January 2021	69,418	163,691	134,187	10,953	3,973	382,222
Charge for year	24,964	12,923	5,993	1,699	1,556	47,135
Disposals	—	(91,393)	(80,281)	(4,157)	—	(175,831)
At 31 December 2021	<u>94,382</u>	<u>85,221</u>	<u>59,899</u>	<u>8,495</u>	<u>5,529</u>	253,526
Net book values						
At 31 December 2021	620,804	20,714	11,129	—	2,250	654,897
At 31 December 2020	<u>340,843</u>	<u>29,743</u>	<u>17,122</u>	<u>1,699</u>	<u>3,806</u>	393,213

Charity	Leasehold improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2021	410,261	88,488	51,092	8,495	558,336
Additions	304,925	—	—	—	304,925
Disposals	—	(24,819)	(27,780)	—	(52,599)
At 31 December 2021	<u>715,186</u>	<u>63,669</u>	<u>23,312</u>	<u>8,495</u>	810,662
Depreciation					
At 1 January 2021	69,418	75,402	42,228	6,796	193,844
Charge for year	24,964	5,483	2,216	1,699	34,362
Disposals	—	(24,819)	(27,780)	—	(52,599)
At 31 December 2021	<u>94,382</u>	<u>56,066</u>	<u>16,664</u>	<u>8,495</u>	175,607
Net book values					
At 31 December 2021	620,804	7,603	6,648	—	635,055
At 31 December 2020	<u>340,843</u>	<u>13,086</u>	<u>8,864</u>	<u>1,699</u>	364,492

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.

11. Investments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
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 2021, which have been included in the consolidated financial statements.

	2021 £	2020 £
Turnover	456,871	270,979
Cost of sales	(523,154)	(612,794)
Gross loss	(66,283)	(341,815)
Administrative expenditure	(77,342)	(97,848)
Other income: Coronavirus Job Retention Scheme and Coronavirus Business Support Scheme	111,635	168,735
Operating loss	(31,990)	(270,928)
(Accumulated losses) retained profits at 1 January 2021	(240,558)	30,369
Accumulated losses at 31 December 2021	(272,548)	(240,559)

At 31 December 2021 the company had total net liabilities of £272,548 (2020 – total net liabilities of £240,558) represented by called up share capital of £1 (2020 - £1) and negative reserves of £272,549 (2020 – £240,559).

12. Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	18,180	11,449	4,505	2,804
Amounts due from the Carmelite Charitable Trust (note 16)	10,929	4,402	10,102	3,529
Other debtors	8,408	15,322	5,729	14,412
Legacies receivable	45,153	43,363	45,153	43,363
Prepayments	91,185	78,924	83,271	74,150
Amounts due from Aylesford Priory Limited	—	—	397,271	312,854
	173,855	153,460	546,031	451,112

13. Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Expense creditors	30,355	67,323	15,043	58,629
Additions to tangible fixed assets	12,256	—	12,256	—
Social security and other taxes	156	(80)	—	—
Other creditors	8,379	12,587	1,361	5,762
Accruals and deferred income	60,091	54,142	13,168	11,621
	111,237	133,972	41,828	76,012

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:

	2021 £	2020 £
Brought forward	22,095	25,720
Released in the year	(25,720)	(25,720)
Deferred in the year	22,095	22,095
Carried forward	18,470	22,095

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 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Restoration fund	360,791	249,089	(10,563)	(304,925)	294,392
Peace garden fund	17,491	10	(24)	—	17,477
	378,282	249,099	(10,587)	(304,925)	311,869

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

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 together with grants from the Programme of Major Works Scheme which is part of the Cultural Recovery Funds towards repairs to the roof of the church situated on the site of The Friars, Aylesford. The transfer from the restoration fund to unrestricted funds represents eligible expenditure incurred and capitalised 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 2021 £
	General funds £	Tangible fixed assets fund £	Non-charitable trading funds £		
Fund balances at 31 December 2021 are represented by:					
Tangible fixed assets	—	635,055	19,842	—	654,897
Net current assets (liabilities)	434,924	—	(292,390)	311,869	454,403
Total net assets	434,924	635,055	(272,548)	311,869	1,109,300

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

Charity	Unrestricted funds		Restricted funds £	Total 2021 £
	General funds £	Tangible fixed assets fund £		
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	—	635,055	—	635,055
Investments	1	—	—	1
Net current assets	434,924	—	311,869	746,793
Total net assets	434,925	635,055	311,869	1,381,849

15. Analysis of net assets between funds (continued)

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	—	364,493	—	364,493
Investments	1	—	—	1
Net current assets	278,760	—	378,282	657,042
Total net assets	278,762	364,493	378,282	1,021,536

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 an unrestricted grant of £120,000 (2020 - £120,000) and rent of £ 4,200 (2020 - £4,200) from the Carmelite Charitable Trust.
- ◆ At 31 December 2021 The Carmelite Charitable Trust owed £10,929 to The Friars, Aylesford (2020 – £4,402 owed by The Carmelite Charitable Trust to The Friars, Aylesford).

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.

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 £366,866 as at 31 December 2021 (£341,247 as at 31 December 2020).

17. Lease commitments

As at 31 December 2021 the Friars, Aylesford had total future commitments under non-cancellable operating leases due as follows:

	2021 £	2020 £
Office equipment		
Within one year	1,379	1,379
Within one to two years	345	1,724
	1,724	3,103

18. Capital commitments

At 31 December 2021, the charity had capital commitments in respect to work on the repair to the roof of the church situated on the site of The Friars, Aylesford. At 31 December 2021, a total of £305,000 (2020 - £nil) had been incurred leaving a capital commitment of circa £20,000 being amounts contracted for but not provided for in these financial statements (2020 - £325,000 authorised but not contracted for).



Scaffold and roof stripping to choir chapel