

The Friars, Aylesford

Annual Report and Consolidated Financial Statements

Year ended 31 December 2023

Charity Registration Number
1068518

Company Registration Number
03487590 (England and Wales)

Contents

Reports

Reference and administrative details of the charity, its trustees and its advisers	1
Trustees' report	2
Independent auditor's report	35

Financial statements

Consolidated statement of financial activities	39
Balance sheets	40
Consolidated statement of cash flows	41
Principal accounting policies	42
Notes to the financial statements	47

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

Trustees	Rev Michael Cox, O. Carm, Rev Brendan Grady, O. Carm. Rev Patrick O’Keeffe, O. Carm. Rev Francis Kemsley, O.Carm. (Deceased 8 October 2023) Isabel Bodunrin
Advisers to the Trustees	Mr Jonathan Louth Mrs Jan Wilkinson Mr Simon Howell (Resigned 30 January 2024)
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

On behalf of the board of Trustees and Directors I present to you the financial statements for the year ended 31 December 2023.

We knew from the outset that the budget was ambitious and difficult to achieve, but we were fortunate to receive a donation from the Carmelite Charitable Trust, a benefactor and a small grant from Tonbridge and Malling Borough Council which resulted in a smaller loss than expected. Our retail operation stood out as a highlight, with a turnover of almost £1.1m which was 6.6% up on the previous year. But the steep increase in minimum wage (9.7%) coupled with the continued rise in energy prices and depreciation massively impacted on our ability to break even or make a profit. Rising supplier costs and high inflation continued in the year 2023 and it was challenging to retain staff as was the case for the hospitality industry nationwide. The group made a negative contribution of £23,803, a much better outcome than originally forecasted.

During the year, we invested heavily in our IT infrastructure, enabling better Wi-Fi reception in our conference rooms and guest rooms and started refurbishing our guest rooms in the New Block and the conference rooms.

2023 saw the return to a full complement of regular pilgrimages. Twenty-two pilgrimages in total, the highest so far since the 2020 Covid restrictions.

We continued acting responsibly as stewards of the buildings and the physical environment by completing the final repairs to the chapel roofs and repaired the roof to the first aid hut. We started refurbishing the guest rooms in the new block and repaired the dormer windows for the farmhouse Buildings. We also replaced the hot water boiler.

There was greater focus on the Artisans' Yard being developed with the help and guidance from our advisers Jonathan Louth and Simon Howell and the contract lease was finally signed between respective parties. We remain confident this will help increase footfall and rental income in the years to come.

The Working Party continued their work in ensuring staff achieved a meaningful and positive change at The Friars. The Board of Directors and Trustees met with staff to reintroduce the vision, mission, ethos, and values of Aylesford.

Thinking about the future, we will prioritise our ongoing commitment to improve our trading operations and benefit the charity. We will devise a strong growth strategy and ensure that our financial plans are sustainable. We have so much to be proud of and there is more to do to make this place an amazing place to visit. Throughout this report, you can read about great examples of commitment, dedication and faith as people come together to build and advocate for a better future. We remain grateful to all our volunteers, donors, supporters of The Friars and to CCT for their continued support.

Sadly, we lost Fr Francis Kemsley, The Prior of Aylesford Priory after a short illness. His dedication and commitment to The Friars will be one that we will forever be grateful for.

As ever, I wish to offer sincere thanks to our staff, Board of Trustees, Directors, and advisers for their contribution to the success of The Friars.

Pearl Nyafli
Operations & Business Development Manager

Trustees' report Year ended 31 December 2023

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 2023. 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 42 to 46 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 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)*

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

We are pleased to report that The Friars, Aylesford principal activities fully met our key objectives of partnership, inclusivity, stewardship, and accountability.

Commercial Trading (Aylesford Priory Limited)

Aylesford Priory Limited, Company Registration Number 6740190 (England & Wales), is a wholly owned subsidiary of The Friars, Aylesford. 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
- ◆ The restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford

The trading activity is primarily the provision of conference facilities, guests' catering and accommodation, events and sale of books, gifts, and refreshments.

Daily visitors

We continue to live by 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". We provide free access 365 days a year to all visitors of any age or nationality to enjoy our place of peace, our venue for gathering, our community of prayer. In 2023, we saw local visitor numbers increase. This is the first-time post-pandemic that these numbers have risen.



Visitors enjoying a picnic on the lawn

Principal Activities (continued)

Pilgrimages

2023 saw the return of most of our regular pilgrimages and we hosted 22 pilgrimages, the highest so far since Covid. This is 3 Pilgrimages more than we hosted last year 2022. One significant change has been in the mode of transport used by Pilgrims. Whereas in pre-covid times, around 40-50% would arrive by coach, with the rest travelling by car or minibus, in 2023 the figure for coaches fell to around 25%. This places significant pressure on car and minibus parking. For the larger pilgrimages, the Knights of St Columba act as parking stewards. In dry weather they are able to direct cars to the fields adjacent to the main and Tea Rooms car parks but in wet weather this is not always possible. Therefore, consideration should be given to extending the hard-standing areas for parking. The reduction in the use of coaches would seem to largely be accounted for by a significant increase in the costs in coach hire.

The Polish Pilgrimage continues to be one of the biggest which attracted more than 2,000 people. Other pilgrimages included the Tamils, Italian, Divine Mercy, Legion of Mary, Caribbean, Goan, Filipino, Kerala Catholic Chaplaincy and Knights of St Columba. Total number of pilgrims for the year was almost 8,000.



Southwark Union of Catholic Mothers Pilgrimage in May 2023 with the Archbishop John Wilson

Trustees' report Year ended 31 December 2023

Principal Activities (continued)

Pilgrimages (continued)



Fr Ged Walsh with the Little Flower Pilgrimage in October 2023



Fr Mícheál O'Neill and Rosie Bradshaw with the Travelling Pilgrims' icon

Principal Activities (continued)

Pilgrimages (continued)



Bishop Patrick Lynch with the Relics of the Scottish Saints at the Knights of St Columba Pilgrimage in June 2023

The Knights of St Columba brought the relics of the Scottish saints St Andrew, St Columba, and St Margaret here and the day was led by Bishop Patrick Lynch, S.S.C.C.

Educational tour groups

We offer educational tours for groups covering the history of the Carmelite Order here at Aylesford, the artwork, 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.

Schools programme

The number of schools bringing pupils for day retreats increased significantly in 2023 with 27 schools visiting compared to 14 in 2022. With the significant increase in the cost of coach hire, it is noticeable that wherever possible, schools are making multiple small bookings and using their own school transport.

Good use continues to be made of the North Barn where schools with larger numbers hire the Barn as a base for the day. The “Welcome from a friar” slot at the start of their visit continues to be very popular. Most schools join the 12 noon Mass, but a significant minority have their own Mass or liturgy in one of the Chapels. St Joseph’s Chapel being a favourite with schools.

Principal Activities (continued)

Schools Programme (continued)



Pupils on a school visit

Outreach programme for schools and young adults

Two multi-school events, The “One Body in Christ” and Mass proved very popular again in 2023 following on from its successful launch last year. On Thursday 8th June, Southwark Education Commission organised again The “One Body in Christ” event for all Kent Primary schools which was attended by over a thousand pupils and their teachers with a Eucharistic Liturgy on the Main Shrine. Later in the year, on 27th September, Kent Catholic Schools partnership organised a Mass for over 850 pupils who filled the entire Main Shrine. The principal celebrant was Bishop Paul Hendricks.

Below is a table showing the total number of visitors received via schools and parish:

Visitors	2023
Pilgrims	7,780
School pupils	7,379
Parish/Group visitors	3,720
Totals	18,879

Principal Activities (continued)

Retreats

We continue to offer a place of retreat for individuals and groups. Members of the Carmelite Community (the friars) often work alongside groups that come to stay at The Friars, Aylesford and individuals are welcome to join community worship. As well as this work, the friars organise a few retreats each year which are open to anyone who wishes to participate. We successfully ran a series of Lent Talks each Saturday from 25 February to 1 April. In summer a series of talks took place relating to Titus Brandsma (Carmelite Saint) which were well attended.

People who have experienced bereavement are encouraged to participate in the "Grief and Loss" retreats which were held in March and October. We grieve, remember, hope, and give thanks for our loved ones in the light of the Resurrection of Jesus.

It is disappointing to see that residential retreats in recent years have seen a downward trend.

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 Summer and Christmas fayres, musical and dramatic productions. We do not use professional fundraisers or participators. The Summer and Christmas Fayres remained our biggest fundraising activity and in 2023 they brought in a combined income of more than £64k.



Patsy and Hugh helping at the 2023 summer fayre

Principal Activities (continued)

Fundraising activities (continued)

The support of our volunteers continues to be crucial, and I would like to acknowledge the support we receive from Hugh and Patsy Mckearney during our summer and Christmas fayres. Last year, Patsy singlehandedly raised almost £5,000 in raffle ticket sales. We are fortunate to still have volunteers such as Patsy who give their time to support our fundraising efforts. We are also extremely grateful for the contributions we have received through individual donors and legacies. It is a source of great hope and inspiration that so many continue to generously support The Friars despite the terrible cost of living crisis.



Mountain bike aerial display at the 2023 summer fayre



The mayor with our kitchen staff at the 2023 summer fayre

Principal Activities (continued)

Fundraising Activities (continued)



Summer fayre 2023

100+ Club – This is a great way of supporting The Friars. A special thank you to Mike and Judy Collins for the many years they have run this club.

Not only do we fundraise for our charity The Friars, but we also fundraise to support other charities like CAFOD and Mary's Meals which are charities that support poverty in countries around the world. We also collected food for Maidstone Christian Care Food Bank, a charity that supports the homeless and needy

Volunteers

There are many volunteers who help The Friars in their charitable activities, giving their time and invaluable support. Volunteers play a crucial role in the running of The Friars and without their support we would be unable to operate in the way we do today. We are extremely grateful to all our volunteers who give their time year in year out. Many of our volunteers have been helping for many years and continue to be an integral part of The Friars. Among the regular worshipping community at The Friars, volunteers support us at social events and fundraising activities. In 2023, we had over 20 volunteers helping with the maintenance of the grounds and gardens, chapels, and events. The volunteer numbers are dwindling, and we need a strategy to attract new members.

The Gardening Group

Here is a message from Hugh McKearney, member of the Peace Garden Volunteer Group:

“The Friars, shrouded in its history and ancient buildings, is a beautiful and peaceful place which encompasses a spiritual haven for quiet reflection and silent contemplation, away from the maddening crowds of the world beyond its boundaries.

Principal Activities (continued)

Volunteers (continued)

Pilgrims and visitors are attracted to the Friars from all over the country and the world. It quietly enthruses them to offer something in return to preserve this repository of a Holy Shrine here at Aylesford "in England's green and pleasant land."

The Peace Garden, though only twelve years old by comparison, supports the Friars' ethos. The garden is, however, a non-denominational enclave secluded by long high Twelfth Century walls beyond the Archway of the Gatehouse. The garden is laid out in five separate smaller gardens with conventional seating to facilitate a period of quiet relaxation and peaceful reflection. It also stimulates an opportunity for visitors to amble along quietly appreciating the colour and beauty of God's creation.

The garden was constructed over a period of fourteen months by a group of volunteers professionally directed and enthusiastically motivated by Jayne and Bernard Hoose. It was officially opened in April 2012 by the famous horticulturist Tom Hart-Dyke of Lullingstone Castle, Eynsford, Kent. It was constructed based on the five elements; the gardens are reflected horticulturally, by a variety of plants and shrubs depicting Fire, Wind and Water.

Some of the original volunteers are still maintaining and nurturing these shrubs and plants and replacing them where needed. Our dedication is greatly appreciated by many visitors from far and wide, which encourages us to continue undertaking the delightful tasks for as long as God permits.

The volunteers of diverse nationalities, though now fewer in number, have formed a companionable and therapeutic group, whilst still sustaining the care and nursing attention required by this peaceful haven. God creates nature, but He needs a little help with the weeding. We seek to encourage more volunteers to join our group so that this attractive enclosure, close to the Holy Shrine and Rosary Way, may continue for as long as possible to attract visitors and pilgrims to the Friars, Aylesford". *Hugh McKearney*



The Peace Garden

Principal activities (continued)

Volunteers (continued)

The Gardening Group assists the Estates Team to maintain the grounds and usually meet and garden every Thursday and Saturday.

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

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.

We also hosted volunteers from Europe who helped in our Catering and Estates department. These international volunteers come here to improve their English and learn some life skills and we are grateful for their support.

Looking into the future, our vision is to have an inclusive culture of volunteering. Everyone will be an advocate for volunteers and will understand the value they bring to The Friars. Volunteering will be embedded in organisational wide planning and decision making.

Once again, the trustees would 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 in organisational wide planning and decision making.

Achievements and Performance in 2023

Despite our best efforts, due to external economic factors, we struggled to break even. The Hospitality industry nationwide continued to be challenged because of rising prices, inflation, a steep increase in minimum wage and we were no different. Details in the table below illustrate our few achievements in 2023:

<i>What we said we would do in 2023</i>	<i>What we did in 2023</i>
1. Deliver the agreed 2023 budget	The group posted a combined loss of £23.8k with APL making a loss of £16.6k and TFA making a loss of £7.2k. We had planned for a larger deficit.
2. Improve our IT infrastructure	To remain innovative and competitive, we invested in our technical needs and built greater agility in our IT operations. We leveraged our cloud-based security. Our IT spend was increased by more than 56%
3. Invest in priority capital and maintenance projects	We completed the final phase of the chapel roofs, repaired the roof to the First Aid Hut and continued with refurbishing guest rooms in the New Block. We repaired two boilers and repaired the Dorma windows for the Farmhouse lodging.
4. Work with Partners	The value of Partnership is central to the work we do. We finalised the contract for the Artisans' Yard project with the view to commence works from January 2024.
5. Green Energy Initiatives	The green energy focus group was formed, and initial strategy formulated. More to be done in 2024 once the plans for the Young Person's project have been finalised.
6. Volunteers	We continue to actively seek more volunteers to help us run our estate in various capacities, but we were not very successful in increasing volunteer numbers.

Fulfilling our mission 2023

Working in partnership with others

It has already been mentioned that The Friars remains an important retreat and pilgrimage centre. Several groups would come to pray and worship at the Shrine each year, and it is pleasing to see that pilgrimage attendance is truly back to pre-pandemic levels.



Group worship at the Shrine

The Friars, Aylesford continues to play host to the Aylesford Farmers' Market, the Vintage Motorcycle Rally, The All-Ford Car Show, The Kit Customer American Car Show and The Woodturners' Exhibition.

Theatre at The Friars continues to be very popular and again we hosted The Changeling Theatre Company, and they performed Love's Labour's Lost in the month of July.

We continued to work with Maidstone Churches Winter Shelter programme, which provides shelter for the homeless in winter months and assist by laundering their bed linen.

As part of our ecumenical involvement, we continued to welcome different groups, have mass, give tours, and hear confessions. One of the Carmelite friars is a chaplain to a local Catholic school and another friar sits on the Rochester Cathedral council.

Be inclusive

Classes offered by Aylesford Pottery were on the rise again this year. They continued to offer classes to groups with learning disabilities, such as Emotional Behaviour Disorder. Pottery classes have increased so much so that there are plans to expand their buildings to accommodate more students.

The Brocard Room has continued to be a very popular regular meeting place for Aylesford Scouts, school groups, the Syro-Malabar group, the Enamellers and Woodturners.

Fulfilling our mission 2023 (continued)

Be inclusive (continued)

We are pleased to continue to support The Alcoholics Anonymous (AA) who have been offered a much bigger room as their numbers attending meetings have increased.

Our guesthouse continued to welcome people from all walks of life, from all backgrounds, abilities, ages, and faiths and none. We continued to host mindfulness training groups, such as yoga and reiki groups.

The Spiritual Direction group has also been offered a room for their training. As their needs grow, the need for more break-out rooms has become a challenge, but we remain hopeful of meeting their requirements.

We continued to support our local schools by welcoming four students for work experience who all enjoyed their time working in the different departments of The Friars.

We continued to put our lottery funded North Barn to good use by hosting religious groups. The Woodturners also held their yearly exhibitions here, showcasing their magnificent artworks to the public. We hired the North Barn to couples for their wedding receptions and also hired it out for wakes, parties and meetings.

We hosted several events in our 13th Century Pilgrims' Hall.



Pilgrimage group using the Shrine.

Acting responsibly as stewards of the buildings and the physical environment

Our buildings and the majority of the site are in continual use by worshippers, visitors, lodgers, and tenants, conference and overnight guests as well as the Community, our Staff, and our Volunteers. The activities mean there is a continual attendance and vicarious inspection throughout the year. In this way, nascent or emerging risks and emergencies are ordinarily spotted or reported, following which the estate staff can make an immediate assessment.

Fulfilling our mission 2023 (continued)

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

The buildings are additionally risk-assessed annually, and the Quinquennial architect is also vigilant when attending formal maintenance or construction projects under their guidance. All large events have a Duty Manager and a First Aider assigned to them and all hospitality/conference areas fall under the leadership of the hospitality team. Thus, we believe our site and facilities are as safe as is reasonably possible for the many visitors we welcome.

Over the years the Carmelite Charitable Trust (CCT) has supported and promoted work with young people and young adults. This main opportunity is an exciting new project for people aged 18 - 30. The Carmelite Charitable Trust is developing a residential volunteer community based at The Friars. The vision for the project comes from our desire to accompany and collaborate with young people, to share our experience and Carmelite experience and story, and to journey together in finding new ways to live and share in the mission of the province.

The new project commenced during 2021 was submitted for planning permission and listed building consent during 2022 and will offer greater support for young people and further collaboration with young adults. At the development stage the initiative is already producing resources for visiting groups and offers input and support to large 'youth' and school pilgrimages. Subject to meeting planning and building regulation conditions, it is expected the buildings to be based in the walled garden at The Friars will offer programmes and support to visiting groups: we have raised the relationship between CCT and TFA as regards appropriate lease back provisions which will be progressed with legal advice.

Each year an experience of community, service, prayer, and formation will be offered to young adults from different countries and backgrounds. The new team will also provide face to face programmes for visiting groups and engage with aspects of the day-to-day life of Aylesford Priory. Some of the physical facilities are expected to contribute to a renewal of some of the site infrastructure: electrics, water supplies, drainage and, potentially, joint development of renewal energy generation on the site.

Proactive exploration of opportunities for collaborative partner organisations and for the improved use of the whole site took a greater pace. Talks that began in 2022 with the potters and upholsterers with regards to developing an artisan project which would benefit them, and The Friars Aylesford progressed to a lease to the Upholsterers for the renovation and re-use of ten stores and maintenance and workshop buildings. Whilst TFA will receive a rent on these areas at their unimproved value, the Charities Act report from Sibley Pares approved extension of an existing discounted value to be reduced every five years together with an annual rent increase in line with RPI. The Upholsterer will invest reasonable, foreseeable renovation costs and reap the benefit of the buildings: a sub-lease structure will permit other artisans to take up spare space in the Artisans' Yard.

Subject to TFA accommodating part-time hire groups elsewhere, an option for the Potters to move their activities partially into the Brocard room beside the pottery will bring similar benefits, enabling other artisans to occupy two vacated buildings. In 2023, delays with the Upholsterers' lease structure means the Pottery discussion will delay into 2024.

Fulfilling our mission 2023 (continued)

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

The Estates team met six times this year, ordinarily attended by the quinquennial architect, and the group continued to report on significant maintenance concerns to the trustees. Mini refurbishment work continued in some of the guest rooms in the New Block. The architect was confirmed in three long-standing briefs for extended vehicle hard-standing for major events, secure site gates, en-suite and services improvements on guest rooms on the Old Block. These will need planning and/or listed building applications in 2023 before proceeding on site.

Principal masonry and other fabric repairs [especially the tall South wall of the walled garden] arising from the 2013 QI report and subsequent inspections were deferred during 2022 into 2023, then - in part due to the quinquennial architect being over-stretched - are expected now to fall into 2024.

Over the previous two years a major restoration of the Grade 2* shrine had been taking place with two government grants and other shrine decorations progressed: in 2023, these were completed, and the Wi-Fi/contactless donation equipment extended to the shrines, which all but completed the significant IT project, bringing internet facilities to all our conference rooms and the Shrine area.

St. Anne's Chapel warranted continued environmental monitoring during 2023, assessing why humidity and condensation occur in St Anne's Chapel continued and, though the Kossowski ceiling/sgraffito wall damages were repaired, deterioration was not fully arrested: it will come forward for consideration after the further monitoring. Similarly, restoration work for some of the ceramics along the Rosary Way including a major project on the Scapular Shrine was deferred to 2024.

Conversation was initiated with CCT regarding the lease structure and the balance of responsibilities for capital works, for planned maintenance and for running repairs/wear & tear: there is an increasing sense that the size of the estate and the size or capacity of the trading company are mismatched if the major costs are to be borne only by local income. CCT agreed during 2023 to make grants available from Province funds in the foreseeable future, pending potential reorganisation, principally where these arise out of death legacies, which make reference to The Friars.

One concern discussed by estates group is the evident lack of time or resources to keep the grounds in 'best' order or to open up more and alternative uses of the wider estate: a proposition that further tenants and lodgers might be welcomed to take licenses and make beneficial use of parts of the estate (such as the tree surgeon and the IT consultant who became tenants on site during 2021/22).

Fulfilling our mission 2023 (continued)

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

Having replaced the 25-year-old steam boiler and two pieces of laundry equipment in 2022, not only was the out-moded nature of the heating and electrical infrastructure increasingly apparent during 2023 when the Community/Shrine boilers became defunct - but also the need for sustainable, renewable, reliable energy supplies a significant topic of discussion. Initially under the Prior Provincial [as Chair of TFA] the estates group, quinquennial architect and services consultant convened a Green Strategy Group; the consultants' initial reports indicated that detail surveys will have to be undertaken during 2024 for coherent proposals for phased transition to renewables over something akin to a 10-year plan. This too will progress in discussion with the Province/CCT as freeholder and in collaboration with the Young Peoples' project team.

We invested heavily in our IT infrastructure, enabling a faster Wi-Fi in the conference rooms, Pilgrims' Hall, the Money Room, the Shrine and Piazza. Water damage to acoustic panels was addressed and these were also repaired.

There is increased demand for more information about companies' environmental, social, and corporate governance (ESG) performance and we are aware that the charities commission are also keen to see the eco credentials of charities and for that reason we embarked on our very own green energy strategy which would involve new technology with use of infrared heaters to heat people not buildings.

Looking into the future, we aspire to further refurbish the guest rooms in the Old Block, repair and extend the car park and fix electronic gates. We will continue investing in our IT infrastructure and be ready for when telecommunications convert to VOIP. We will continue repairs to the walls of Rosary Way and buttress.

We continue to communicate with our local community and visitors via our website and social media. New followers on Facebook have been keeping up to date with our supporter-facing activities, hearing about campaigns and engaging with us.

In 2023, we continued to distribute The Aylesford quarterly newsletter to over 6,000 people across the United Kingdom and the Republic of Ireland. Many of those who receive the newsletter respond and share their views, thoughts, and aspirations for The Friars at Aylesford.

We also published and distributed the monthly Friars News for our local community and staff. Our visitors continued to share their feedback and ideas through a questionnaire which is available in all guest rooms.

Fulfilling our Objectives in 2023

Be accountable to all stakeholders

During the year, we actively responded to feedback on Trip Advisor ensuring that our customers' voice was heard. We were swift in providing solutions and we take on board reviews very seriously because we know they have the potential to transform our brand and inspire our team to be better every day.

Fulfilling our Objectives in 2023 (continued)

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

Throughout its long history, the Church has been a major source of social services like schooling and medical care; an inspiration for art, culture, and philosophy; and an influential player in politics and religion. In various ways it has sought to affect Western attitudes towards vice and virtue in diverse fields.

Being Catholic and partaking in Catholic services strengthens people's relationship with God and with their community. Being Catholic reminds them of what life is all about, family and helping others and setting time aside for the Lord. People can rely on their Catholic faith to guide them through all aspects of their life.

The Friars is primarily a Roman Catholic shrine and pilgrimage centre. Served by its Carmelite community, there are normally regular masses celebrated each day and the friars are available for confessions, counselling, and consultations. The chapels are open all day all year round for those looking for a place of quiet and meditation.

We are pleased to have the Syro-Malabar community who use our chapels on a regular basis. The Syro-Malabar community also provide us with volunteering support during our big fundraising events.

A pastoral team of friars and lay volunteers served the spiritual and religious needs of those visiting The Friars and delivered the annual retreat program.

As an important Marian shrine, pilgrims from all over the world visited throughout the year. These international pilgrims prayed and celebrated in their own languages.

The Friars is a religious setting open to all people with all faiths and none. Its purpose is not just to hold masses, but it is also a place of welcome to all.

The Carmelite Community continued to support the many schools who visited with their individualised programmes. These programmes include history and art appreciation. Apart from participating in these programmes, the school children also took part in Masses in the chapels. The friars normally also take them on ground tours explaining the history of the Carmelites in England and giving them an understanding of the various artworks.

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 and we continue to receive several requests for other forms of memorials. 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 and wakes.

Financial Review

In another phenomenally difficult year for all, the cost-of-living crisis left many families struggling to afford basics. Most families could no longer afford to eat out and a large number relied on food banks to make ends meet. This had an impact on the Hospitality industry nationwide and we saw record closures of restaurants and eateries.

The Hospitality industry also struggled to keep staff, with many people opting to go to work in retail where wages were more competitive. Despite the government's attempt to bridge the gap with a 9.7% rise in the minimum wage, this was not enough to lure people back. We were also hit by severe long term staff absence which meant we had to rely on agency staff on some occasions resulting in paying far more on wages than usual.

Our most significant area of expenditure was staff costs of over £730k which was an increase of 5.4% on the prior year. This increase being largely due to a 5% pay award to all salaried staff and another 2% cost of living bonus awarded to selected staff.

High energy costs, coupled with rising supplier costs meant that we struggled to break even or make a profit. But despite all the challenges, our financial results for the year were stronger than we had hoped for, even with the challenging inflationary environment. We planned for a larger deficit but robust financial control and a strong performance in some of our trading departments contributed to a more positive result.

We continue to seek ways to diversify our income streams, to grow our net income and we embarked on various income generating events which were less labour-intensive. We held two wedding fayres and an Easter Egg Hunt which proved very popular with children and their families.

We started the groundwork to convert our outbuildings into an Artisans' Yard. This will improve our rental income considerably in years to come.

It is also worth noting that grants and donations for the year were significantly less than the previous year, 2022.

General Funds

The Trustees continue to ensure the profitability of the day-to-day operations in the wholly owned subsidiary Aylesford Priory Limited, and to ensure the net costs of their charitable activities are met by the surplus made.

The trading activities of Aylesford Priory Limited resulted in a loss of £16,568 (2022: £10,849 Profit), (please see note 11). A loss of £7,235 (surplus of £187,528 in 2022) was made by the Charity, resulting in a Group loss of £23,803 (2022: surplus of £198,377).

General reserves were £423,943 compared to £370,240 in 2022. The increase in general reserves reflects the £55,000 loan given to the charity from the Carmelite Charitable Trust to assist with the Artisans' Yard project.

Financial Review (continued)

Restricted Funds

These funds usually arise from legacies and donations and are limited to spending on defined purposes.

In January, £255,430 (2022: £311,869) of restricted funds were brought forward into 2023, represented by £17,032 (2022: £17,477) for the Peace Garden and £238,398 (2022: £294,392) for the Restoration Fund.

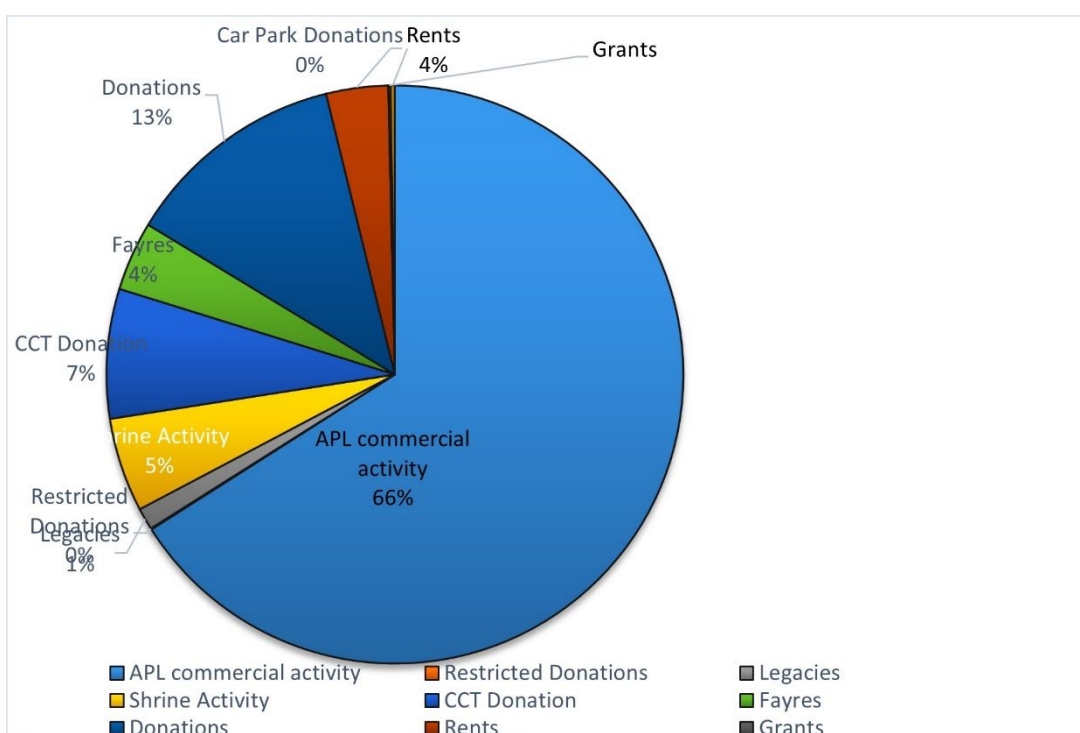
As of 31 December 2023, carried forward restricted funds were £324,863 (2022: £391,420) comprising £307,950 for the Restoration Fund and £16,914 for the Peace Garden.

Total funds as of 31 December 2023 were £1,283,874 (2022: £1,307,677) represented by £324,863 (2022: £391,420) of restricted funds, £813,334 of Tangible Fixed Assets (2022: £807,717), a shortfall of £278,267 in Aylesford Priory Limited Funds/Reserves (2022: £(261,700)) and £423,943 of general reserves (2022: £370,240).

Income

The Group income for 2023 by activity is shown in figure 1 below, and figure 2 shows the increases and decreases in income from 2022 to 2023 by activity.

The total income for the group was £1,657,389 (2022: £1,777,830).



Financial Review (continued)

Income (continued)

Table 1 - APL Income activity

As part of the total income above, Aylesford Priory Limited's turnover was £1,093,767 up 6.6% on the previous year. APL activity accounted for 66% of the total group income. This was made up of:

Department	2022 Income	2023 Income	% Change
Hospitality	325,620	329,275	1.1%
Tea Room	215,398	266,214	23.6%
Gift Shop	115,470	122,800	6.3%
Pilgrims' Hall Catering	303,894	323,751	6.5%
Events & Bars	65,364	51,727	-20.8%
Total income	1,025,746	1,093,767	6.6%

All other income was derived from activities of The Friars Aylesford made up of:

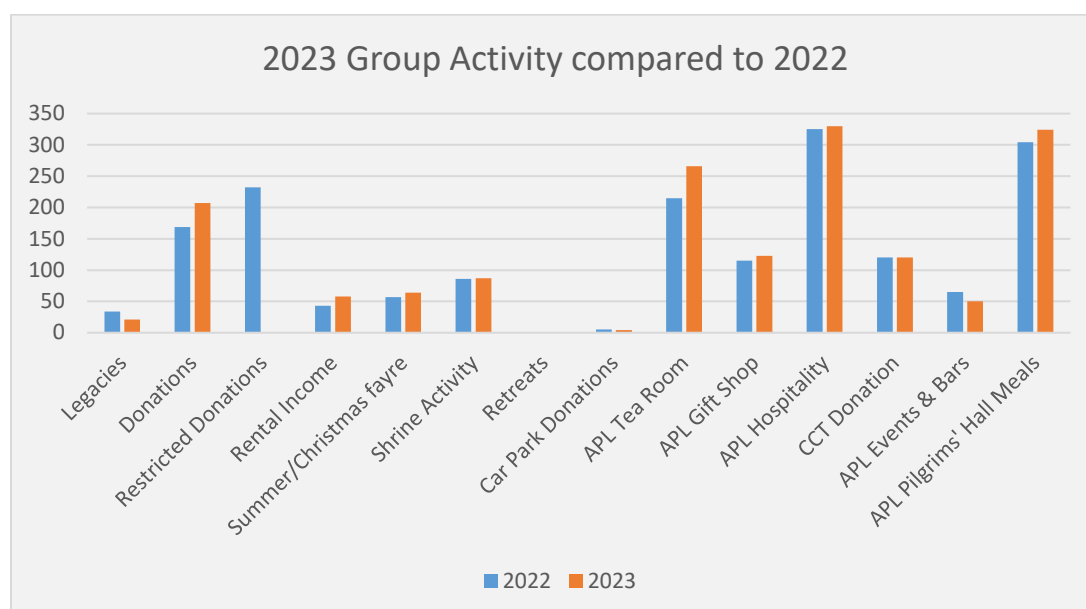
Table 2 – TFA Income activity

Department	2022 Income	2023 Income	% Difference
Legacies	£33,830	£20,278	-40%
Unrestricted Donations	£169,062	£207,087	22.5%
Restricted Donations	£88,871	£1,058	-98.9%
Rental Activity	£43,780	£57,603	31.6%
Grants	£143,288	£2,000	-98.6%
Fayres	£56,967	£64,317	13%
Car Park	£4,737	£4,101	-13.4%
Shrine Activity	£85,549	£87,178	1.9%
CCT Donations	£120,000	£120,000	0%
Total income	£746,084	£563,622	-24.5%

Financial Review (continued)

Income (continued)

Figure 2 – 2023 Group Income by Activity compared to 2022.



The turnover of the charity's trading subsidiary Aylesford Priory Limited is made up of the provision of hospitality (conference facilities and guest accommodation), events, sale of books, gifts and refreshments was £1,093,767 which was up by £68,021 (6.6%) from 2022. This represented a strong performance in retail activity.

Figure 2 highlights which areas' income improved or declined in 2023 compared to 2022. All areas performed better than last year apart from legacies.

Sales from our Hospitality department were £329,275 up by 1.1% (£325,622 in 2022). Some great results from the Tea Room brought in sales income of £266,214 up by 23.6% (£215,397 in 2022). The Gift Shop's sales income was £122,800 up 6.3% in comparison to 2022 (£115,470). This increase was partly down to the Relics of St Bernadette event in October. Pilgrims' Hall's sales income was £323,751 up 6.5% on 2022 (£303,893), Events and bars were £51,727 down 20.8% against £65,364 in 2022. Wedding reception bookings were less compared to the previous year.

Table 2 illustrates that we received a total of £20,278 in legacies in 2023, in contrast to £33,830 in 2022, a decrease of 40%.

Our unrestricted donations were £207,087 which were up 22.5% on last year (£169,062 in 2022). Shrine activity was £87,178 up 1.9% on 2022 (£85,549). Summer and Christmas fayres brought in £64,317 up 13% on 2022 (£56,967).

The Carmelite Charitable Trust (CCT) continued to provide financial support to the Charity. The Charity received an annual grant of £120,000 for the on-going support of its activities.

The group income was £1,657,389 a decrease of 6.8% in comparison to £1,777,830 in 2022. This was down receiving less grants, donations, legacies, and car park donations.

Financial Review (continued)

Expenditure

The results for the year ended 31 December 2023 reflect another year of challenges presented by rising inflation and supplier costs. We did our best by working smarter and embarked on various cost-saving strategies and held new income generating events. We focused on agreed margins for each of our trading activities and ensured adequate investment in our site and facilities, to maintain a healthy and safe environment for our staff, volunteers, customers, and visitors.

This year, our trading operating costs (cost of sales) for the subsidiary company Aylesford Priory Limited, was £941,963 up 6% against 2022 (£888,069). This increase was due to higher staff costs, employing more staff, paying for additional staff due to staff absence and long-term sickness and the rising cost of goods and services. We honoured the government minimum wage requirement which went up by 9.7%.

We invested in new two new boilers for the site and carried out other major maintenance works.

For more details of activity in the wholly owned subsidiary Aylesford Priory Limited see note 11.

The living and personal expenses of the Carmelite Friars at Aylesford were £78,701 (£86,030 in 2022) down 8.5% year on year. There are fewer Carmelite community members now.

Table 3 below shows that expenditure in 2023 on the upkeep of the shrine (note 5) was up 6% on 2022. The expenditure on premises and facilities costs was up 3.3% against the previous year.

Direct costs of £110,853 (2022: £106,989) up 3.6% were made up of purchase of candles, memorial benches and plaques, direct staffing costs, high utility bills, cash handling, chapel ad hoc expenses and general expenses. Other indirect staff costs were up 30.7% on the previous year at £46,379 (2022: £35,475).

Table 3- 2023 Expenditure on upkeep of the shrine compared to 2022.

	2022	2023	% Difference
Governance costs	£7,920	£11,220	41.6%
Office costs	£15,644	£14,352	-8.2%
Premises & Facilities costs	£249,368	£257,630	3.3%
Indirect Staff costs	£35,475	£46,379	30.7%
Direct Shrine costs	£106,989	£110,853	3.6%
Total	£415,395	£440,434	6%

Financial Review (continued)

Reserves (continued)

Reserves are needed both to maintain the level of The Friars Aylesford's current activities and to enable the completion of long-term projects. The trustees are yet to finalise a formal reserve policy which will establish the recommended reserve levels for the group to hold.

At 31 December 2023 unrestricted general funds amounted to £423,943 (£370,240 in 2022) an increase of 14.5%.

During the year, restricted funds have decreased from £391,420 (31 December 2022) to £345,441 (made up of Peace Garden £16,913 and Restoration fund £328,528 at 31 December 2023).

The total funds at 31 December 2023 are a surplus of £1,283,874 (2022: £1,307,677) equivalent to a decrease of 1.8%.

These total funds are represented by tangible fixed assets of £908,341 (2022: £909,405), net current assets of £559,844 (2022: £510,295 including within net current assets a net cash position of £370,234 (2022: £272,184)). Bank accounts held are part of a centralised, pooled banking system, used 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.

The trustees continue to recognise the importance of securing a long-term presence of the Carmelite Community at Aylesford Priory and working with a new Young Adults Community.

The continued ambition is 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. The contract for this project has been finalised with works planned to commence in 2024.

Our key risks and uncertainties

The Board of Trustees has responsibility for making sure there are adequate and effective risk management protocols and systems of internal controls in place to manage The Friars' major risks and to achieve our strategic objectives. The risk register is reviewed yearly by the Board of Trustees to ensure that relevant risks are identified and sound mitigating controls are in place. We have processes in place to manage the key risks that could affect the charity's ability to achieve its objectives.

While many risks from previous years remain, this year saw the emergence of a new risk to our financial sustainability: rising supplier costs. Increased supplier costs could have an impact on our income, as volunteers and retail customers respond to the cost-of-living crisis, as well as having an impact on our running costs. We also don't know what the knock-on impact on public sector spending – a major source of income for the charity. We continued to mitigate inflation risks through good procurement practices, as well as continuing to review our pricing strategies in our trading outlets.

Our key risks and uncertainties (continued)

Current labour market conditions and the cost-of-living crisis mean we also anticipate major risks around staff retention, recruitment, and satisfaction. The hospitality industry overall continues to suffer from recruitment and The Friars is no different.

Processes are in place to manage the key risks that could affect The Friars' ability to achieve its objectives, including the following:

1. Financial Performance and sustainability

Risk: A significant reduction in our available resources due to external economic and environmental factors. The continued rise in supplier costs is a risk to our trading operation and undermines our ability to achieve our strategic objectives.

Mitigations:

- ◆ Annual budget setting and then full half-year re-forecasting.
- ◆ Holding a significant value of free reserves at any point in time, with a monthly review of these to make sure they remain within the target range set by the Finance Group.
- ◆ Regular review of our pricing strategy to ensure we remain competitive and be flexible in our approach.
- ◆ Shopping around for competitive suppliers (including energy suppliers) to minimise rising costs.
- ◆ Regular review and scrutiny of financial performance by senior management and trustees through the Finance Group.

2. Business Continuity

Risk: Events adversely impact reputation and/or operations, including loss of operations due to a major incident (cyber-attack, serious data security breach, a serious fraud, major health and safety incidents, internal control failures or an outbreak of a communicable disease).

Mitigations:

- ◆ Regular review and update of business continuity and disaster recovery plans to help minimise disruption to operations from unexpected events.
- ◆ We continue to upgrade our IT systems. This includes using modern cloud computing that gives staff access to better storage, files and software, through internet-connected devices.

Our key risks and uncertainties (continued)

3. Change Management

Risk: Inability to implement change and complete priority projects due to constant changes in department managers. Risk of change fatigue, burn-out or high-attrition within teams, given the level of change.

Mitigations:

- ◆ Continue to offer support for individuals.
- ◆ Staff welfare is always on the agenda at Trustees meetings.

4. Lack of funding for maintenance and repairs of the buildings

Risk: Reduction in funding has a negative impact on The Friars' ability to achieve its objectives. A reduction in funding could be due to failure to qualify for certain funds or apathy of donors or due to constraints on their available income from the financial crises.

Mitigations:

- ◆ Strengthen our existing relations and develop new relationships to secure additional funding.
- ◆ Diversify our sources of funding.

5. Staff Recruitment and Retention

Risk: Difficulty in attracting qualified managers and keeping them and recruiting the right calibre of non-management staff. Staff turnover continues to be high.

Mitigations:

- ◆ Create a talent pipeline to manage uncertainty in filling vacancies when staff retire.
- ◆ Work closely with recruitment agencies.
- ◆ Ongoing benchmarking of compensation and benefits to the rest of the sector.

Our plans for the future

Income generation

Our key objective is to generate as much income as we can to remain viable. We know that the year ahead isn't going to be easy but in challenging times people need places of respite, beauty, and solace more than ever – and people need the certainty of knowing we are still here caring for the grounds that are important and dear to them. Because of these reasons, we will aspire to deliver the 2024 budget as best as we can. We will improve the effectiveness of our trading activities by operating an effective pricing strategy, source new suppliers and continue to urge staff to work smarter. We will need to find ways to increase the contributions of our visitors.

Our plans for the future (continued)

Income generation (continued)

The external and economic environment remains very uncertain, and we are clear that we need to remain agile and flexible to meet changing demands and needs.

Continue to Invest in priority capital and maintenance projects

We will continue to ensure that every decision we make will support our core aim and objective to promote for the benefit of the public the restoration, presentation and maintenance of the historic buildings, amenities and grounds of The Friars, Aylesford. We will continue refurbishing our guest house facilities and improve our conference facilities.

We will continue working with the Estates sub-group and the Estates Manager to regularly review progress on agreed projects.

Working with partners

With the introduction of Creative Aylesford and the Artisans' Yard we hope to continue working with partners and suppliers whose local network will expand the outreach and the effective mission of the Carmelite Community.

Environmental sustainability initiatives

Climate change is now widely acknowledged as one of the most important issues facing society today and with growing concerns for the environment, it is now becoming critical for organisations to adopt and take corporate sustainability initiatives that focus on people, planet, alongside profits.

Sustainability practices can boost The Friars, Aylesford's longer-term by giving us a competitive edge, enhancing our brand image, attracting a loyal customer base, reducing operational costs, and creating new opportunities for success in the long run. We can start off small by recycling all our packaging, find other ways of using energy (solar), work towards minimizing single-use cups and other plastics. Plans are already in place to form a comprehensive green energy strategy.

Improve IT

We will continue to invest further in our information and technology infrastructure so that we can operate more efficiently and effectively. We identify that IT is a key enabler for both service quality and financial sustainability. In today's dynamic business environment, technology plays an increasingly vital role as a powerful enabler for continuous improvement initiatives. Digital technology advancements have revolutionised how organisations approach improvement processes, providing valuable digital tools and resources to drive operational efficiency, increase productivity, and meet future strategic goals. The Board of Trustees have agreed the entire IT infrastructure of the entire site be upgraded.

Volunteers

People volunteer for a range of reasons, and each volunteering opportunity provides its own unique experience. The Friars, Aylesford depends on volunteers to ensure that we remain a place of welcome and prayer to our numerous and diverse visitors. The volunteer numbers are dwindling so we will develop a robust volunteering strategy, to be the charity of choice in the Kent area.

Going concern

We are doing everything we can to build on our financial stability, seeking new income streams and developing new partnerships to keep this beautiful place as a sustainable charitable and commercial venture. The Trustees have assessed The Friars, Aylesford's financial position, and the work we are doing to diversify our income through partnerships and the creation of the Artisans' Yard, and they feel confident in the charity's ability to operate as a going concern.

Many of the unprecedented challenges presented in 2023 have been bravely overcome by staff and volunteers and they have shown themselves to be resilient and creative – facing up to these challenges and producing results on par to pre-pandemic times.

The Trustees have confidence that the charity and its subsidiary company will be able to withstand all challenges presented by the cost-of-living crisis 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 2023, the Trustees met 6 times, with an Annual General Meeting on 30 July 2023.

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

- ◆ The Finance Group Chair: Fr Brendan Grady
- ◆ The Estates Group Chair: Jonathan Louth (architect)

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. Simon has since resigned.

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 2023 were: Pearl Nyafli – The Operations & Business Development Manager (Lead); Ros Duddell – Gift Shop Manager; Steve Hayden – Estates Manager, Karen Stevens – Hospitality Manager, Gail Grimes – Catering Manager and Clare Abbotson – Prior's and Trustees' Secretary.

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 Fundraising

The Charities (Protection and Social Investment) Act 2016 requires us to make a statement on fundraising. This statement outlines how we will behave when we fundraise and ensures our fundraising is legal, honest, open, respectful, fair, transparent and accountable.

At The Friars, we need to raise a considerable amount of funds to maintain our 22-acre site and provide the religious activities that go with it. Our teams work tirelessly to raise funds mainly via our Summer and Christmas fayres (our main fundraiser), other small events like the new Easter Egg Hunt, Shakespeare plays, postal and online donations.

We do all we can to ensure that fundraisers and volunteers comply with our Fundraising Promise. We do not use professional fundraisers or commercial participators to help us and in the past twelve months we did not work with any "on behalf of" fundraisers.

We are registered with the Fundraising Regulator, have paid levy and uphold the code of practice. We comply with current regulations and best practice set out by the Regulator. We acknowledge that as we engage volunteers to fundraise on our behalf, it is imperative that we have the right safeguards in place to support them. We insist that any fundraising carried out by any third party complies with data protection legislation as set out in the code of Fundraising practice, including requirements of the Telephone, Mailing and Fundraising Preference Services.

Statement of Fundraising (continued)

We work closely with our volunteers to ensure that they are polite, respectful and aware that anyone can be in a vulnerable situation even if it is not immediately apparent. If it is known or there are reasonable grounds for believing that an individual lacks capacity to make a decision to donate, a donation will not be taken or if it is already taken will be refunded. It also means that nobody should be pressurised or made to feel guilty for not supporting us. If our supporters do not want to give or wish to cease giving, we respect their decision and act on this. We offer them choices about how they wish to be contacted and we respond to requests to end contact.

Our volunteers make it clear when communicating on our behalf how a person can register feedback or a complaint directly with us. We encourage any feedback from the public and we regularly review any feedback that we receive. We are pleased to report that we did not receive any complaint in the year 2023.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the income and expenditure of the group for that period. In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently.
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity and the Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also

responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' report Year ended 31 December 2023

Statement of Trustees responsibilities (continued)

Each of the Trustees confirms that:

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

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

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

Approved by the Trustees on: 30 July 2024



Brendan Grady O. Carm.

Trustee

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 2023 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 2023 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.



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

16 August 2024

Consolidated statement of financial activities Year to 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Income from:							
Donations, grants and legacies	1	347,365	1,059	348,424	316,202	238,849	555,051
Other trading activities	2	1,215,686	—	1,215,686	1,126,493	—	1,126,493
Charitable activities	3	91,279	—	91,279	90,286	—	90,286
Other sources:							
Business Support Scheme		2,000	—	2,000	6,000	—	6,000
Total income		1,656,330	1,059	1,657,389	1,538,981	238,849	1,777,830
Expenditure on:							
Raising funds	4	1,162,057	—	1,162,057	1,077,594	434	1,078,028
Charitable activities							
· Upkeep of the shrine at Aylesford	5	405,270	35,164	440,434	393,673	21,722	415,395
· Support of the Carmelite Friars of the Aylesford community	6	78,701	—	78,701	86,030	—	86,030
Total expenditure		1,646,028	35,164	1,681,192	1,557,297	22,156	1,579,453
Net income (expenditure) before transfers		10,302	(34,105)	(23,803)	(18,316)	216,693	198,377
Transfers between funds	14	11,874	(11,874)	—	137,142	(137,142)	—
Net income (expenditure) and net movement in funds	7	22,176	(45,979)	(23,803)	118,826	79,551	198,377
Reconciliation of funds:							
Balances brought forward at 1 January 2023		916,257	391,420	1,307,677	797,431	311,869	1,109,300
Balances carried forward at 31 December 2023		938,433	345,441	1,283,874	916,257	391,420	1,307,677

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 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	10	908,341	909,405	813,334	807,717
Investments	11	—	—	1	1
		908,341	909,405	813,335	807,718
Current assets					
Stock		36,916	46,509	6,176	8,500
Debtors	12	152,694	191,602	602,755	640,341
Cash at bank and in hand		370,234	272,184	222,380	125,273
		559,844	510,295	831,311	774,114
Creditors: amounts falling due within one year	13	(132,978)	(112,023)	(31,173)	(12,454)
Net current assets		426,866	398,272	800,138	761,660
Creditors: amounts falling due after one year	13	(51,333)	—	(51,333)	—
Total net assets		1,283,874	1,307,677	1,562,140	1,569,378
Represented by:					
Funds and reserves					
Restricted funds	14	345,441	391,420	345,441	391,420
Unrestricted funds					
. General funds		403,365	370,240	403,365	370,241
. Tangible fixed assets fund		813,336	807,717	813,334	807,717
. Non-charitable trading funds		(278,268)	(261,700)	—	—
Total funds		1,283,874	1,307,677	1,562,140	1,569,378

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



Brendan Grady O.Carm.
Trustee

Approved by the trustees on: 30 July 2024

Consolidated statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
. Net cash provided by operating activities	A	122,542	217,798
Cash flows from investing activities			
. Purchase of tangible fixed assets		(74,492)	(312,480)
Cash flows from financing activities			
. Cash inflows from new borrowing		50,000	—
Change in cash and cash equivalents in the year		98,050	(94,682)
Cash and cash equivalents at 1 January 2023	B	272,184	366,866
Cash and cash equivalents at 31 December 2023	B	370,234	272,184

Notes to the statement of cash flows for the year to 31 December 2023.

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

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(23,803)	198,377
Depreciation charge	75,556	57,972
Decrease (increase) in stocks	9,593	(21,590)
Decrease (increase) in debtors	38,908	(17,747)
Increase in creditors	22,288	786
Net cash provided by operating activities	122,542	217,798

B Analysis of cash and cash equivalents

	2023 £	2022 £
Total cash and cash equivalents: Cash at bank and in hand	370,234	272,184

C Analysis of changes in net debt

	2022 £	Cash flows £	2023 £
Cash at bank and in hand	272,184	98,050	370,234
Loan from Carmelite Charitable Trust	—	(55,000)	(55,000)
	272,184	43,050	315,234

Principal accounting policies 31 December 2023

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 2023 with comparative information provided in respect to the year to 31 December 2022.

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), 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;
- ◆ Assessing the probability of the receipt of legacy income of which the charity and group had been notified;
- ◆ Determining the basis for allocating shared overhead costs between the charity and its subsidiary company; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made 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 remains uncertain and 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 Charities 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.

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 £563,622 (2022: £746,084), total expenditure of £570,857 (2022: £558,556), resulting in net income of -£7,235 (2022: net income of £187,528).

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 accruals basis. Expenditure is comprised of direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

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

All expenditure is inclusive of irrecoverable VAT.

Principal accounting policies 31 December 2023

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.

Principal accounting policies 31 December 2023

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 £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Legacies	20,278	—	20,278	27,140	6,690	33,830
Donations	207,087	1,059	208,146	169,062	88,871	257,933
Grants for roof repairs (see below)	—	—	—	—	143,288	143,288
Grant from Carmelite Charitable Trust	120,000	—	120,000	120,000	—	120,000
	347,365	1,059	348,424	316,202	238,849	555,051

2. Income from: Other trading activities

Group	Unrestricted funds	
	2023 £	2022 £
Provision of conference facilities, guest accommodation, events, and sale of books, gifts and refreshments	1,093,767	1,025,746
Rental income	57,603	43,780
Other	64,316	56,967
	1,215,686	1,126,493

3. Income from: Charitable activities

Group	Unrestricted funds	
	2023 £	2022 £
Shrine income	87,178	85,549
Car park contributions	4,101	4,737
	91,279	90,286

4. Expenditure on: Raising funds

Group	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Provision of conference facilities, accommodation, events, and sale of books, gifts and refreshments	1,110,334	—	1,110,334	1,020,896	—	1,020,896
Fayres	51,723	—	51,723	56,698	434	57,132
	1,162,057	—	1,162,057	1,077,594	434	1,078,028

5. Expenditure on: Upkeep of the shrine at Aylesford

Group	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Direct costs	110,853	—	110,853	106,989	—	106,989
Other indirect staff costs	46,379	—	46,379	35,475	—	35,475
Premises and facilities	222,466	35,164	257,630	227,645	21,722	249,367
Office costs	14,352	—	14,352	15,644	—	15,644
Governance costs	11,220	—	11,220	7,920	—	7,920
	405,270	35,164	440,434	393,673	21,722	415,395

Governance costs included above comprise auditor's remuneration only.

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

Group	Unrestricted funds	
	2023 £	2022 £
Living and personal expenses	78,701	86,030

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

This is stated after charging:

Group	2023 £	2022 £
Staff costs (note 8)	730,510	693,292
Auditor's remuneration		
. Statutory audit services	16,245	9,533
. Other services: tax compliance	2,400	2,400
Depreciation	75,556	57,972

8. Staff costs and trustees' remuneration

Group	2023 £	2022 £
Staff costs during the year were as follows:		
Wages and salaries	665,373	639,105
Social security costs	36,663	35,627
Other pension costs	15,278	14,229
	717,314	688,961
Other staff related costs	13,196	4,331
	730,510	693,292
Staff costs per function were as follows:		
Upkeep of the shrine	133,657	117,915
Provision of conference facilities, related accommodation, events and sale of books, gifts and refreshments	467,321	453,536
Support functions	129,532	121,841
	730,510	693,292

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 (2022: none).

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

Group	2023	2022
Shrine maintenance	5	6
Commercial trading operations	18	19
Support costs	3	4
	26	29

The average number of employees, based on headcount, was 54 in 2023 (2022: 51).

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 (2022: none). No incidental expenses were reimbursed to trustees (2022: None).

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 £893 (2022: £839) and provides cover up to a maximum of £1 million (2022: £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 2023 comprised the Operations and Business Development Manager, the Estates Manager, the Catering Manager, the Hospitality Manager and the Prior's and Trustees' Secretary. The total remuneration (including taxable benefits, employer's pension contributions and employers national insurance contributions) of these employees was £182,450 (2022: £165,901).

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 2023	897,139	195,645	111,845	8,495	7,779	1,220,903
Additions	11,874	32,549	18,619	11,450	—	74,492
At 31 December 2023	<u>909,013</u>	<u>228,194</u>	<u>130,464</u>	<u>19,945</u>	<u>7,779</u>	1,295,395
Depreciation						
At 1 January 2023	132,736	97,888	65,503	8,495	6,876	311,498
Charge for year	49,411	14,650	10,773	—	722	75,556
At 31 December 2023	<u>182,147</u>	<u>112,538</u>	<u>76,276</u>	<u>8,495</u>	<u>7,598</u>	387,054
Net book values						
At 31 December 2023	726,866	115,656	54,188	11,450	181	908,341
At 31 December 2022	<u>764,403</u>	<u>97,757</u>	<u>46,342</u>	<u>—</u>	<u>903</u>	909,405

Charity	Leasehold improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2023	897,139	63,669	60,023	8,495	1,029,326
Additions	11,874	32,549	9,099	11,450	64,972
At 31 December 2023	<u>909,013</u>	<u>96,218</u>	<u>69,122</u>	<u>19,945</u>	1,094,298
Depreciation					
At 1 January 2023	132,736	61,496	18,882	8,495	221,609
Charge for year	49,411	1,087	8,857	—	59,355
At 31 December 2023	<u>182,147</u>	<u>62,583</u>	<u>27,739</u>	<u>8,495</u>	280,964
Net book values					
At 31 December 2023	726,866	33,635	41,383	11,450	813,334
At 31 December 2022	<u>764,403</u>	<u>2,173</u>	<u>41,141</u>	<u>—</u>	807,717

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 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
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 2023, which have been included in the consolidated financial statements.

	2023 £	2022 £
Turnover	1,093,767	1,025,746
Cost of sales	(941,963)	(888,069)
Gross profit (loss)	151,804	137,677
Administrative expenditure	(168,372)	(132,828)
Other income: Coronavirus Job Retention Scheme and Coronavirus Business Support Scheme	—	6,000
Operating (loss) profit	(16,568)	10,849
Accumulated losses at 1 January 2023	(261,700)	(272,549)
Accumulated losses at 31 December 2023	(278,268)	(261,700)

At 31 December 2023 the company had total net liabilities of £278,267 (2022: total net liabilities of £261,699) represented by called up share capital of £1 (2022: £1) and negative reserves of £278,268 (2022: £261,700).

12. Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	45,779	35,825	3,553	926
Amounts due from the Carmelite Charitable Trust (note 16)	7,065	31,132	6,842	30,849
Other debtors	9,096	23,371	6,522	21,226
Legacies receivable	18,051	25,731	18,051	25,731
Prepayments	72,285	75,543	65,466	65,612
Social security and other taxes	418	—	—	—
Amounts due from Aylesford Priory Limited	—	—	502,321	495,997
	152,694	191,602	602,755	640,341

13. Creditors: amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Expense creditors	31,329	55,720	13,027	3,392
Social security and other taxes	—	(195)	—	—
Amounts due to the Carmelite Charitable Trust (note 16)	3,667	—	3,667	—
Other creditors	39,136	8,454	1,366	1,366
Accruals and deferred income	58,846	48,044	13,113	7,697
	132,978	112,023	31,173	12,455

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:

	2023 £	2022 £
Brought forward	23,243	18,470
Released in the year	(23,243)	(13,697)
Deferred in the year	17,780	18,470
Carried forward	17,780	23,243

Creditors: amounts falling due after one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Amounts due to the Carmelite Charitable Trust (note 18)	51,333	—	51,333	—

The Carmelite Charitable Trust loaned £55,000 to The Friars to assist with the works on the Artisans' Yard project. The repayment term for this loan is 15 years with no interest. This implies a yearly repayment figure of £3,667.

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 2023 £	Income £	Expenditure £	Transfers £	At 31 December 2023 £
Restoration fund	374,366	1,046	(35,010)	(11,874)	328,528
Peace garden fund	17,054	13	(154)	—	16,913
	391,420	1,059	(35,164)	(11,874)	345,441

14. Restricted funds (continued)

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
<i>Group and charity</i>					
<i>Restoration fund</i>	294,392	238,838	(21,722)	(137,142)	374,366
<i>Peace garden fund</i>	17,477	11	(434)	—	17,054
	<u>311,869</u>	<u>238,849</u>	<u>(22,156)</u>	<u>(137,142)</u>	<u>391,420</u>

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.

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

<i>Group</i>	<i>Unrestricted funds</i>			<i>Restricted funds</i> £	<i>Total 2023</i> £
	<i>General funds</i> £	<i>Tangible fixed assets fund</i> £	<i>Non-charitable trading funds</i> £		
Fund balances at 31 December 2023 are represented by:					
Tangible fixed assets	—	813,336	95,005	—	908,341
Net current assets (liabilities)	454,698	—	(373,273)	345,441	426,866
Non current liabilities	(51,333)	—	—	—	(51,333)
Total net assets	403,365	813,336	(278,268)	345,441	1,283,874

<i>Group</i>	<i>Unrestricted funds</i>			<i>Restricted funds</i> £	<i>Total 2022</i> £
	<i>General funds</i> £	<i>Tangible fixed assets fund</i> £	<i>Non-charitable trading funds</i> £		
Fund balances at 31 December 2022 are represented by:					
Tangible fixed assets	—	807,717	101,688	—	909,405
Net current assets (liabilities)	370,240	—	(363,388)	391,420	398,272
Total net assets	370,240	807,717	(261,700)	391,420	1,307,677

15. Analysis of net assets between funds (continued)

	Unrestricted funds		Restricted funds	Total 2023
	General funds	Tangible fixed assets fund		
Charity	£	£	£	£
Fund balances at 31 December 2023 are represented by:				
Tangible fixed assets	—	813,334	—	813,334
Investments	1	—	—	1
Net current assets	454,697	—	345,441	800,138
Non current liabilities	(51,333)	—	—	(51,333)
Total net assets	403,365	813,334	345,441	1,562,140

	Unrestricted funds		Restricted funds	Total 2022
	General funds	Tangible fixed assets fund		
Charity	£	£	£	£
Fund balances at 31 December 2022 are represented by:				
Tangible fixed assets	—	807,717	—	807,717
Investments	1	—	—	1
Net current assets	370,240	—	391,420	761,660
Total net assets	370,241	807,717	391,420	1,569,378

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 (2022: £120,000) and rent of £nil (2022: £1,050) from the Carmelite Charitable Trust.
- ◆ At 31 December 2023 The Carmelite Charitable Trust owed £47,935 to The Friars, Aylesford (2022: £31,132 owed to The Friars, Aylesford).
- ◆ The Carmelite Charitable Trust also loaned £55,000 to The Friars to assist with the works on the Artisans' Yard project. The repayment terms for this loan is 15 years with no interest. This implies a yearly repayment figure of £3,667.

16. Connected charities (continued)

The Carmelite Charitable Trust holds the freehold of Aylesford Priory. No rent was paid by the charity in the period. During the period the Carmelite Charitable Trust carried out various improvements to the property as permitted under the lease. These improvements have been capitalised in the accounts of the Carmelite Charitable Trust and are not included in the accounts of the charity. However, the charity and its subsidiary absorbed all the general running costs of the Priory.

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 £370,234 as at 31 December 2023 (£272,184 as at 31 December 2022).

17. Lease commitments

As at 31 December 2023 the Friars, Aylesford had total future commitments under non-cancellable operating leases due as follows:

	2023 £	2022 £
Office equipment		
Within one year	—	345
Within one to two years	—	—
	—	345

18. Capital commitments

At 31 December 2023, the charity and group had no capital commitments.