

St Cecilia's Abbey

Annual Report

Year Ended 31 December 2020

St Cecilia's Abbey

Annual Report

Year Ended 31 December 2020

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St Cecilia's Abbey

Trustees' Report

The Trustees present their report along with the financial statements of the Charity for the year ended 31 December 2020.

OBJECTIVES AND ACTIVITIES

The principal object of the Charity is the advancement of the Catholic religion. The principal means of advancing the Catholic religion is prayer, and the value and effects of this prayer can be measured only by God. Nevertheless the Charity undertakes the following activities in support of this aim.

The Charity maintains St Cecilia's Abbey and the community of Benedictine nuns which inhabits it. The chief work of the nuns is the celebration of the Divine Office, which is sung in Latin and in Gregorian Chant. Among communities of nuns in the British Isles St Cecilia's is unique in using Latin Gregorian Chant exclusively in its liturgy.

The nuns seek to earn their living by the production and sale of altar breads; they also undertake artistic commissions and sell religious books, recordings of their Gregorian Chant, rosaries and other pious articles, some of which are made by the nuns themselves.

The community share their contemplative life by welcoming visitors to their church and retreatants to the Garth or the Hermitage, and through newsletters and the Internet. No charges are made for these services and anyone is welcome to participate. The section below entitled 'Ministry to Visitors and Retreatants' explains these activities in more detail.

When possible the Abbey takes the opportunity to assist other religious communities, either by financial help or by providing hospitality to other contemplative nuns for long or short visits, for studies and training in crafts which can contribute to the development of their own communities, or for a time of rest.

The Charity makes a number of grants, at the discretion of the Abbess, to both institutions and individuals. Further details are contained in note 5.

The Trustees have considered the Charity Commission's general guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

The Abbey and the Community

At 31 December 2020 there were 26 solemnly or perpetually professed nuns in the community, one temporarily professed, three novices and two postulants.

A number of young women visited the Abbey during the year to discern their vocation.

Three young women entered the monastery as postulants, two of whom were still present at the end of the year.

The two postulants who entered in 2019 received the habit and began their novitiate.

A junior completed her first three years and renewed her temporary vows in accordance with the new legislation for contemplative nuns, *Cor Orans*.

The community celebrated the Platinum Jubilee of one Sister in May, and the Diamond Jubilee of another in November.

In January 2020 the community's five-yearly canonical visitation was carried out by Fr Abbot Xavier Perrin of Quarr Abbey and Mère Abbess Claire de Sazilly of Abbaye Ste-Cécile de Solesmes. In February the community's annual retreat was preached by Bishop Hugh Gilbert of Aberdeen. Both events in their different ways were a source of encouragement to the community.

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Maintenance of the Abbey Buildings and Estate

In order to reduce the need for fires, the community invested in a shredder-chipper to turn hedge clippings and broken branches into chippings for paths and mulch for flower beds.

Linear motors were installed for two of the church bells, with a digital control panel allowing automated ringing with great flexibility about the settings, to fit in with the many variations in the monastic time-table.

In addition to the continuing programme of maintenance of the Abbey's extensive buildings, the following major works were undertaken:

- replacement of rusted gas pipes;
- replacement hot water cylinder for the novitiate;
- solar-powered lighting for the garage;
- provision of water heaters for the Sisters and the employees, to encourage hand-washing;
- erection of a new larger shed for the workmen's breaks, with electric power, to give them more comfort and to allow for social distancing.

Because of the pandemic the trustees sought to minimise the visits of contractors to the Abbey and so from March onwards only essential repairs were undertaken.

In addition to the continuing programme of maintenance of the rental and guest properties, the following major works were undertaken:

- upgrading the electrical fittings at the Upper and Lower Lodge flats.

Promotion of Gregorian Chant

The nuns continued work on the production of interlinear Latin/English booklets for the Divine Office for the use of visitors and postulants. These works require much time on the part of the nuns and also expenditure on paper and ink to make booklets of durable quality and suitable for their sacred function, but the nuns consider this work an important part of their apostolate.

For the first part of the year, every Sunday and Holy Day the Abbey continued to produce leaflets for all the proper and ordinary chants, prayers and readings of the Mass, with Latin and English translations side by side, for the use of visitors to the Abbey Church. When the pandemic began, however, the Sisters had to give up distributing leaflets and booklets to the laity, in accordance with the guidelines of the Diocese of Portsmouth.

Ministry to Visitors and Retreatants

Before the pandemic, the Abbey Church was available all day throughout the year for those who wished to attend the daily Mass and eight services of the Divine Office, or for private prayer. The church was closed during the first two lockdowns like all places of worship. The church was reopened as soon as churches were allowed to open.

The Abbey Chronicle, produced twice in the year, was sent to approximately 750 addresses free of charge. The Abbey also maintained a website on the life and work of the community, www.stceciliasabbey.org.uk. During the year a daily reflection on the Rule of St Benedict continued to be provided on the website.

A short presentation on life at the Abbey was available on Gloria TV and YouTube.

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There is always a Sister available to welcome visitors or give counsel to anyone in need. Because of the pandemic, the usual groups of Confirmation candidates and others were unable to visit.

The Abbey's small retreat house, the Garth, had to close once the pandemic began. It reopened in July, and then had to close again for November and December. In the time that it was open it welcomed 25 persons for retreats. Though most retreatants make donations for their stay, no charge is levied, and this year one person made no offering. The retreatants were able to participate in the Divine Office and to see the Guest Mistress or other nuns for spiritual counsel if they wished.

The numbers of secular oblates remained steady at about 40. The oblates received their own letter of news and discussion of monastic spirituality six times in the year. In the parts of the year when household mixing was allowed, a number visited to receive spiritual counsel from the Oblate Mistress. Two ladies were affiliated as novice-oblates and three novice-oblates made their oblation. During lockdown a group of oblates "met" by Zoom each week to sing Compline together.

Assistance to and Collaboration with Other Religious Communities

Following the meeting of the Abbesses and Conventual Prioresses of the Solesmes Congregation in Martinique in 2019, substantial work was undertaken in 2019 and 2020 to revise the Declarations and Constitutions of the nuns of the Congregation, with all the houses collaborating by email.

One of the nuns of St Cecilia's had been sent in 2017 to give assistance to the Abbey of Ste-Marie des Deux-Montagnes, Canada, in its endeavour to become a bi-lingual community, serving also as Zélatrice to the novitiate. Having completed three years and three months in this task, she returned to her own monastery during 2020.

Barrington Cottage continues to be let to a consecrated hermit at a low rent.

A property on the mainland continues to be let to another religious community at a low rent.

As stated in note 5, the Abbey made a significant donation to another community in the Solesmes Congregation which was in particular need as a result of the pandemic.

Other Activities of the Community

The Altar Bread Department continued to be the nuns' principal means of earning their living, though the closure of churches and the suspension of the Sunday obligation meant that this income was much reduced in the year.

The Sisters continued the venture of selling home-made soap, which has proved very popular, especially with the visitors to Quarr Abbey. Sales accordingly suffered from the reduction in the number of tourists to the Island in 2020.

There were also modest sales of rosaries, candles, pyrography and knitted items made by the nuns, together with other pious goods and religious books, though these too were less than usual, because of the closure of "non-essential" shops for part of the year. There was little income from the art studio (calligraphy and illumination) but the younger Sisters are being trained in these arts so that there is hope for future development. The candle department provides candles for the needs of St Cecilia's Abbey and Quarr Abbey, as well as for sale in the Abbey shop. The wax for this work comes entirely from the Abbey's bees and from old candle-ends and wax scrapings recycled.

The Abbey's bees continued to be valued chiefly for the pollination of the orchard and soft fruit. They produced honey for consumption by the nuns, and their wax was used in candle-making.

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The extensive vegetable garden continued to be maintained by the young nuns. This garden, the orchard (apples, pears, plums, quince, walnuts, hazelnuts, cobnuts) and the soft fruit cages (blackberries, boysenberries, loganberries, raspberries, gooseberries) are an important source of food for the nuns.

At the beginning of 2020 Gracewing published *Our Father: a Biblical meditation on the Lord's Prayer* by Sr Claire Waddelove. Many readers wrote to express their appreciation.

The Pandemic

The Coronavirus Pandemic prompted the Sisters to redouble their work of intercession for the world, both informally and by the addition of special prayers at the end of Vespers each day. They followed the instructions of the Catholic Bishops of England and Wales in closing their church to the general public when required, but re-opened as soon as it was permitted to do so. During the closure they maintained the full round of worship and prayer. At the beginning of the national lock-down in March 2020, for a period of nine days no Mass was said at the Abbey, but subsequently a visiting priest and the monks of Quarr made it possible for the nuns to have Mass every day. Persons living near to the Abbey commented on how comforting they found the sound of the Abbey bells, even when they were not permitted to attend the services themselves.

When lock-down began the three of the Abbey's lay-employees who work indoors were asked to stay at home on full pay. After about a month the Abbey's maintenance man was asked to return, with procedures in place to ensure that his presence did not create undue risk of infection. The absence of the employee who helped in the kitchen revealed that her services could be dispensed with and she was made redundant in September. The third employee returned on a part-time basis in the summer. The Abbey took advantage of the Government's flexible furlough scheme in her regard. She returned to full-time work only in June 2021.

The closure of churches and the restrictions on numbers even after the re-opening meant a massive fall in the orders for altar breads. By August 2021 altar bread income for the year was still only half of what it had been at the same stage in 2019.

Once the impact of the pandemic began to be felt in the worldwide stock markets, the Charity's investment manager made a careful review of the portfolio, noting which companies had cut or suspended dividends and which investments had fallen significantly in value, and what action the management of those companies were taking in the face of the global disaster. It should be noted that, because Abbey's ethical investment policy makes it impossible to hold pharmaceutical stocks, the Charity could not compensate for its losses through the high performance of this sector. The review indicated that there would be a fall of 30% in investment income for the year, and this prediction proved to be most accurate. The Trustees decided that it would be prudent to retain those stocks which were likely to recover after the pandemic, and the improvement in the value of the portfolio in 2021 has borne out this decision.

CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2020.

SIGNIFICANT EVENTS AFTER THE YEAR END

Receipt of Legacies

The Abbey was a residuary beneficiary under the will of a benefactor who died in 2003. The only asset in the estate was a house which was held in trust for a life-tenant. The life-tenant died in 2019 and the house

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was put up for sale. The sale was completed in October 2020. After all other expenses had been paid, the Abbey received an interim payment of £100,000 in 2020 and a final payment of £15,300 in 2021.

PLANS FOR FUTURE PERIODS

Work is underway for translations of *The Joy of God* in French, German and Polish.

In 2019 the Charity made a commitment to pay for new altar bread machinery for a community of the Solesmes Congregation in the United States, to a total of 206,002 euros. This sum was accounted for in the accounts for that year. The first payment of £36,091 was made in that year. The project was delayed by the pandemic, and the remainder is not expected to be paid until 2022. The Charity has acquired investments in euros as a hedge against exchange movements.

No significant changes in the activities of the Charity are planned. The Charity intends to continue to maintain the Community at St Cecilia's Abbey and the celebration of the Divine Office.

FINANCIAL REVIEW AND RESERVE POLICY

During the year, the Abbey received income totalling £695,881 (2019: £1,187,216). The on-going principal sources of income were £466,949 (2019: £649,407) investment income, £43,703 (2019: £101,796) from the sale of Altar Breads and £101,535 (2019: £103,170) from the pensions and allowances received for the nuns. In addition to this, the Abbey benefitted from legacies of £11,500 (2019: £291,426). Gifts from benefactors were £50,383 (2019: £21,354). Expenditure for the year amounted to £535,653 (2019: £886,872). Of this, £379,008 (2019: £443,653) related to the costs of maintaining the religious community, £60,216 (2019: £329,443) to the grants and donations made, £19,367 (2019: £26,701) to the costs associated with the Altar Bread production and shop sales, £9,070 (2019: £9,704) to church expenses and £3,846 (2019: £4,020) to the costs of running the retreat house. £64,146 (2019: £73,351) was spent on raising funds including investment managers' fees and rental property expenses.

After taking into account the net loss on the revaluation of investment assets of £711,147 (2019: net gain of £1,679,566), the charity had net expenditure for the year of £550,919 (2019: net income £1,979,910). The charity's funds mainly comprise tangible fixed assets and an investment portfolio which was valued at £19,337,794 at 31 December 2020.

The Trustees have reviewed the reserves and income of the Charity against its immediate and foreseeable needs and are satisfied that the reserves are not excessive and should be sufficient to meet their needs. The Trustees consider that the long term nature of the Trust's charitable objectives requires that it retain some of its surplus income as reserves. These reserves are necessary in order to secure the future ability of the Charity to support the religious community at St Cecilia's Abbey. At 31 December 2020, the total reserves of the charity were £24,209,099. Of this total, £2,660,616 are restricted reserves that are not available for the general purposes of the charity. The Trustees have designated funds totalling £11,120,598 including a fixed asset and PRI fund that represents those funds 'tied up' in fixed assets and programme related investments and a number of other reserves, full details of which can be found in note 13. At 31 December 2020 general unrestricted funds stood at £10,427,885.

Investment performance

The investment policy of the Trustees is to maintain and enhance the real value of their assets over the long term by investment in a portfolio comprising equities, fixed income stocks and cash. The investment policy,

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drawn up in consultation with Charles Stanley, aims to ensure a steady stream of dividend income while taking capital gains when an attractive opportunity arises.

The main portfolio is split between a capital account with a balanced objective and an income account with an income objective. The investment managers do not work to a fixed benchmark but use market indices to gauge the performance of the portfolios.

The Abbey's investment income for 2020 was 28% lower than in 2019. Nevertheless, the Trustees do not foresee any difficulty in continuing the work of the Charity. By August 2021 the investment income of the Charity was 15% higher than at the same point in 2020.

Risk management

The Sisters entrust themselves and their future to Divine Providence. Knowing, however, that part of the proper exercise of this trust is the careful stewardship of the resources which Providence has granted, the trustees have considered the risks faced by the charity.

The risk which requires most attention from the Trustees is the possibility of the decline of the community of nuns at St Cecilia's Abbey. The object of the Charity could not be achieved without the presence of a monastic community. As recruitment and retention of new members, under the Holy Spirit, is largely dependent on the fervour and integrity with which the nuns follow their calling, the effective apostolate of the Charity requires paradoxically constant vigilance to safeguard the silence and seclusion of the monastery. The Trustees strive to mitigate the risk of such a decline by managing the assets of the Charity appropriately and providing the resources necessary to support this effort. In particular, a continuous programme of maintenance of the buildings and grounds of the Abbey obviates the risk of major works and all the disruption they would entail. Investment in modern machinery reduces the need for seculars within the enclosure, while provision of the modern means of communication reduces the need for exits by the nuns. While frugality should characterize the life-style of the Sisters, the Trustees ensure that funds are available to maintain the library and pay for outside speakers when appropriate. The sick and elderly of the community are seen as a special treasure, and the trustees watch that sufficient resources are available to ensure their proper care.

The Charity's investment portfolio is a major support in providing funds for the Abbey's own needs and charitable giving. The Trustees consider the variability of returns on the portfolio to be the Charity's major financial risk. To reduce this risk they maintain a diversified portfolio and use the services of investment advisors who are not only experts in the charity sector but who also know the Abbey well and understand its ethos.

In this era of increasing government legislation and third-party litigation, the Trustees note also the risks which these present to the Abbey. The Trustees seek to reduce these risks by using the services of experts in the relevant fields (for example, lawyers, financial advisers, insurance brokers) to provide the knowledge which the trustees may lack.

In making charitable donations the Abbey risks that these grants will be ineffective. The Trustees reduce this risk by donating in the main to charities which are well known to them and whose accounts are available for inspection. Where necessary they seek the advice of relevant professionals or other charities in the field.

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Cecilia's Abbey is a charity established and governed by a Trust Deed dated 1 November 2000.

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The Abbey is governed by the Abbess, who is elected for life by the nuns. She is advised by her prioress and by a council consisting of the prioress, a nun chosen by the Abbess and two nuns elected by the community. The Abbess appoints a bursar who oversees the financial affairs of the charity.

Trustees are appointed by the Abbess from members of the community and decisions are made on a majority basis. The Trustees in office during the period and at the date of this report are set out on page 8.

All of the Trustees are senior nuns of the community and, as such, have an in depth knowledge of the charity. All Trustees have been given a copy of the Charity Commission Publications, *The Essential Trustee: What you need to Know* and *The Hallmarks of an Effective Charity* so that they are fully aware of their responsibilities. The bursar, who is also a trustee, attends the meetings of Benedictine bursars of the British Isles and also of the Solesmes Congregation whenever possible to hear of new legislation and developments and to share in the bursars' network of experience and mutual help. The Trustees also seek guidance whenever necessary from professional firms (for example, accountants, solicitors, investment managers, insurance brokers) of suitable standing and with wide knowledge of the religious charity sector.

St Cecilia's Abbey is a member of the Benedictine Congregation of Solesmes, a grouping of abbeys and priories in several countries which have a common history and traditions, derived from the Abbey of S-Pierre de Solesmes, France. The nuns at St Cecilia's follow the Rule of St Benedict as interpreted by the Declarations of the Abbey of Ste-Cécile de Solesmes. The chief financial consequence of the Rule and Declarations is that any activities of the Abbey must not trespass on the strictly enclosed contemplative life of the nuns, which finds its principal expression in the praise of God in the Divine Office. In accordance with the aforesaid Rule and Declarations, the Abbey of St Cecilia is an independent religious community and its financial affairs are in the hands of the nuns themselves.

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REFERENCE AND ADMINISTRATIVE DETAILS

The name of the Charity:	St Cecilia's Abbey
Charity registration number:	1088086
Address:	St Cecilia's Abbey Appley Rise Ryde Isle of Wight PO33 1LH
Trustees:	E Eaglesham (Abbess) H Eckhardt E Lee A-M Fiévet

The custodian trustees at 31 December 2019 were as above.

Solicitors:	Tozers Solicitors Southernhay West Exeter EX1 1UA
Auditors:	Francis Clark LLP Chartered Accountants Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF
Bankers:	HSBC 38 Union Street Ryde Isle of Wight PO33 2LJ
Investment Managers:	Charles Stanley Limited 25 Luke Street London EC2A 4AR

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Trustees' Report

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 will continue in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees
Elizabeth Eaglesham
Trustee

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Independent Auditor's Report to the Trustees of St. Cecilia's Abbey

Opinion

We have audited the financial statements of St. Cecilia's Abbey (the "Charity") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP – FRS 102 'The Financial Reporting Standard 102 applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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Independent Auditor's Report to the Trustees of St. Cecilia's Abbey

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 9] the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor'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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity and the sector in which it operates to identify the key laws and regulations affecting the Charity. The key regulations we identified were Charity legislation and Charity Commission requirements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Charities Act and the Charities SORP.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue its activities and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

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Independent Auditor's Report to the Trustees of St. Cecilia's Abbey

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations by the charity that could affect the financial statements.
- As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed filings with the Charity Commission and enquired with management whether there were any Serious Incident Reports made during the year of which there were none.
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewed Board minutes;
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business of which there were none.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 Charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



(Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

Date 25 October 2021

Francis Clark LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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Statement of Financial Activities

Year Ended 31 December 2020

		Restricted Fund	Unrestricted Funds	2020 Total Funds	2019 Total Funds
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	-	61,883	61,883	312,780
Retreat income		-	2,570	2,570	6,235
Nuns' pensions and allowances		-	101,535	101,535	103,170
Charitable activities:					
Sale of Altar Breads		-	43,703	43,703	101,796
Other Shop Sales		-	5,570	5,570	8,118
Investment income	4	-	466,949	466,949	649,407
Other		-	13,671	13,671	5,710
Total		-	695,881	695,881	1,187,216
Expenditure on:					
Raising funds:					
Investment managers' fees		-	46,638	46,638	49,868
Rental property expenses		-	17,508	17,508	23,483
Charitable activities:					
Altar breads and shop expenses		-	19,367	19,367	26,701
Retreat expenses		-	3,846	3,846	4,020
Church expenses		-	9,070	9,070	9,704
Costs of maintaining the community	6	-	379,008	379,008	443,653
Grants and donations	5	-	60,216	60,216	329,443
Total		-	535,653	535,653	886,872
Net (losses)/gains on investments	9	-	(711,147)	(711,147)	1,679,566
Net (expenditure)/income		-	(550,919)	(550,919)	1,979,910
Transfers between funds	12	642,993	(642,993)	-	-
Net movement in funds		642,993	(1,193,912)	(550,919)	1,979,910
Reconciliation of funds:					
Total Funds brought forward		2,017,623	22,742,395	24,760,018	22,780,108
Total funds carried forward		2,660,616	21,548,483	24,209,099	24,760,018

The notes on page 16 to 26 form part of these accounts.

St Cecilia's Abbey

Balance Sheet

31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	8	5,850,709	5,891,407
Investments	9	19,337,794	19,654,382
		<u>25,188,503</u>	<u>25,545,789</u>
Current assets			
Stock		4,700	4,700
Debtors	10	88,108	364,604
Cash at bank and in hand		231,416	136,771
		<u>324,224</u>	<u>506,075</u>
Liabilities			
Creditors: Amounts falling due within one year	11	(1,303,628)	(1,291,846)
		<u>(979,404)</u>	<u>(785,771)</u>
Net current liabilities			
		<u>(979,404)</u>	<u>(785,771)</u>
Total Net assets		<u>24,209,099</u>	<u>24,760,018</u>
The funds of the charity:-			
Restricted funds	12	2,660,616	2,017,623
Unrestricted funds:	13		
Designated funds		11,120,598	11,101,038
General funds		10,427,885	11,641,357
		<u>24,209,099</u>	<u>24,760,018</u>
Total charity funds		<u>24,209,099</u>	<u>24,760,018</u>

Approved by the Trustees on 21 October 2021 and signed on their behalf by:

Sr Elizabeth Lee

Trustee

The notes on page 16 to 26 form part of these accounts.

St Cecilia's Abbey

Statement of Cash Flows

Year Ended 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net Cash provided by/(used in) operating activities	17	61,056	(426,788)
Cash flows from investing activities:			
Dividends, interest and rents from investments	4	466,949	649,407
Purchase of property and equipment	8	(38,801)	(68,609)
Net (investments)/withdrawals from investment portfolio	9	(394,559)	(551,124)
Cash withdrawn from investment portfolio	9	-	450,000
Net cash provided by investing activities		33,589	479,674
Change in cash and cash equivalents in the reporting period		94,645	52,886
Cash and cash equivalents at the beginning of the reporting period		136,771	83,885
Cash and cash equivalents at the end of the reporting period		231,416	136,771

The notes on page 16 to 26 form part of these accounts.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

1 Accounting Policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) **Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared on an accruals basis under the historical cost convention, except for the valuation of investments at market value. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) **Fund accounting**

- (i) The Charity's unrestricted general fund consists of funds which the Charity may use for its charitable purposes at its discretion.
- (ii) The Charity has designated certain funds. Further details are contained in note 13. There is no legal force for the designations.
- (iii) The Charity has one restricted fund. Further details of this fund can be found in note 12.

(c) **Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date.

Where the charity does not have discretion in the collection and distribution of donations and has no entitlement to the donations, then these amounts are conduit funding. Amounts relating to conduit funding are not included in the Statement of Financial Activities of the Charity.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

Retreat income

This relates to the donations received from retreatants and is recognised on a receivable basis.

Nuns' pensions and allowances

Pensions and allowances are recognised on a receivable basis.

Altar bread and shop income

Income from the sale of altar breads and shop sales is recognised when the goods are despatched.

Investment income

Investment income is recognised on a receivable basis. Where income is receivable net of basic rate tax, the gross amount of income is included in the Statement of Financial Activities (SOFA) as investment income. No adjustment is made for accrued income included in the price of securities that were acquired or disposed of during the year.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

1 Accounting Policies (*continued*)

(d) **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT. All costs have been directly attributed to one of the categories of resources expended in the SOFA.

- Costs of raising funds consist of investment managers' fees and the costs associated with rental properties.
- Costs of charitable activities include the costs of maintaining the community, grants and donations made, the costs associated with the production of altar breads and the sale of religious items as well as church, retreat house, and programme related property expenses.

(e) **Tangible fixed assets and depreciation**

Tangible assets donated on the creation of the Trust have been valued in accordance with their insurance values at that time. Subsequent additions are included at cost or, in the case of property transferred from investments, at its insurance value. Replacement fixtures, furniture and equipment are charged to the SOFA in the year in which the expense is incurred.

Tangible assets other than freehold land are depreciated over their estimated useful lives, at the following rates:-

Abbey buildings	0%	straight line
Other leasehold buildings	2%	straight line
Fixtures, fittings and equipment	5-10%	straight line

No depreciation is provided on the Abbey buildings. It is the Charity's policy to maintain the Abbey in such a condition that the value is not impaired by the passage of time. Such expenditure is charged in the year it is committed. The nature of the Abbey owned by the Charity is such that it is unlikely to suffer from economic changes or technical advances. As a consequence any element of depreciation would, in the opinion of the Trustees, be immaterial and therefore no provision has been made.

The valuation of the Abbey buildings is reviewed for impairment whenever events or changes in circumstances suggest that the carrying value may be in excess of its recoverable amount. Recoverable amount is the higher of net realisable value and value in use (which is measured on the basis of the worth of the service delivery of the asset). Where an impairment has occurred, the carrying value of the asset is written down to its recoverable amount, and the revised value of the asset is depreciated over its remaining useful life. The impairment loss is charged to the Statement of Financial Activities ("SOFA").

(f) **Financial instruments**

The Abbey only has financial assets and other financial liabilities of a kind that qualify as basic financial instruments. These comprise cash and bank balances, short term trade and other debtors and creditors and listed investments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. They are derecognised when the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party or in the case of liabilities when obligations are discharged.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

1 Accounting Policies (*continued*)

(g) Investments

- (i) Quoted investments are originally recorded at their transaction value and subsequently measured at their fair value at the balance sheet date using the quoted market price.
- (ii) Investment properties have been valued at fair value as follows. Investment properties donated on the creation of the Trust have been valued in accordance with their current insurance values. Investment properties subsequently acquired are initially valued at cost and thereafter revalued in line with the movement in the house price index.
- (iii) Programme related investments are included in the balance sheet at cost less any impairments.
- (iv) Realised and unrealised gains and losses on the investments are credited/charged directly to the Statement of Financial Activities.
- (v) All investments, including bank balances held as part of the investment portfolio, are included as fixed assets.

(h) Dowries

Dowries represent monies introduced by the nuns when they take their solemn or perpetual vows, or legacies which they subsequently receive. Although not legally repayable, the Trustees consider that they have a compelling moral obligation to repay these sums in the event that a nun leaves the Abbey and they are therefore shown as creditors. On the death of the nun they are released to the Statement of Financial Activities.

(i) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net gains arising on the revaluation and disposal of investment assets.

2 Related party transactions and trustees' expenses and remuneration

All trustees are nuns of St Cecilia's Abbey and do not receive any remuneration by virtue of their position as trustees.

The charity maintains and supports the trustees in the same way as nuns who are not trustees. As this is part of the charitable objects of the charity it is not seen to be remuneration for their services as trustees.

No expenses have been paid or reimbursed to the trustees by virtue of their position as trustees.

During the year trustees donated their pensions and allowances totalling £24,625 to the charity (2019: £26,219), as well as dowries of £nil (2019: £nil).

3 Income	2020 £	2019 £
Donations and legacies:		
Legacies	11,500	291,426
Other gifts and donations	50,383	21,354
	<u>61,883</u>	<u>312,780</u>
<i>Other gifts and donations</i>		

Includes £nil (2019: £nil) restricted income.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

4 Investment Income (unrestricted)	2020	2019
	£	£
Income received from:		
Properties	40,367	39,202
Listed investments	425,348	608,362
Cash held as part of an investment portfolio and at bank	1,234	1,843
	466,949	649,407

5 Grants Payable

During the year the following grants and donations were made:

	2020		2019	
	£	Number	£	Number
Individuals:				
Grants to people in financial need	336	4	1,396	7
Institutions involved in:				
Religious Welfare	41,405	23	309,051	23
Overseas Aid	7,800	7	7,700	8
Children	600	1	600	1
Medical	2,520	4	2,520	4
Poor	5,100	5	4,600	5
Elderly	-	-	-	-
Other	2,455	5	3,576	7
	59,880	45	328,047	48
Total	60,216	49	329,443	55

Included in the grants above is £nil (2019: £nil) relating to restricted funds.

Included in the above institutional grants are the following amounts greater than £1,000:

	£
ACN	15,000
AIM	1,000
Grief to Grace	1,000
Abbey of Keur Moussa	18,676
Holy See	3,250
Ethiopaïd	2,000
International Refugee Trust	1,000
Mary's Meals	2,000
Opportunity International	1,000
Practical Action	1,000
Earl Mountbatten Hospice	2,000
De Paul Trust	1,000
Emmaus	1,000
Missionaries of Charity, Manchester	1,000
The Passage	1,500

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

6 Costs of Maintaining the Community

	Designated £	Unrestricted £	2020 £	2019 £
Wages Costs	-	112,236	112,236	110,006
Nuns' NIC	-	2,363	2,363	3,659
Repairs, renewals and maintenance	-	41,262	41,262	100,833
Heat and light	-	15,709	15,709	15,228
Postage, phone and stationery	-	6,334	6,334	4,671
Water rates and council tax	-	7,149	7,149	1,730
Household provisions	-	33,079	33,079	22,978
Insurance	-	15,041	15,041	14,035
Clothing	-	990	990	658
Gardening expenses	-	31,519	31,519	32,839
Monastic hospitality	-	1,353	1,353	22,136
Medical costs	-	7,240	7,240	8,833
Library Costs	-	1,703	1,703	1,632
Motor and travel expenses	-	1,009	1,009	3,980
Advertising	-	120	120	112
Sundries	-	7,530	7,530	9,169
Depreciation	79,499	-	79,499	77,795
Legal and Professional	-	3,892	3,892	2,559
<i>Governance</i>				
Auditors' remuneration - statutory audit	-	6,000	6,000	6,000
- other	-	4,980	4,980	4,800
	<u>79,499</u>	<u>299,509</u>	<u>379,008</u>	<u>443,653</u>

Included in the costs above is £nil (2019: £nil) relating to restricted funds.

7 Staff costs	2020 £	2019 £
Gross wages and salaries	108,111	104,587
Employer's national insurance	4,125	5,419
	<u>112,236</u>	<u>110,006</u>
Average number of staff	<u>5</u>	<u>5</u>

The charity considers its key management personnel comprise the Trustees only to whom no employment benefits were paid.

No employees received any employee benefits in excess of £60,000 (2019: nil).

During the year a redundancy payment of £8,568 was made (2019: £nil)

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

8 Tangible Fixed Assets

	Freehold Property £	Leasehold Property £	Fixtures Fittings & Equipment £	Total £
Cost				
At 1 January 2020	5,527,247	200,655	1,152,696	6,880,598
Additions	8,375	-	30,426	38,801
Disposals	-	-	-	-
At 31 December 2020	5,535,622	200,655	1,183,122	6,919,399
Accumulated Depreciation				
At 1 January 2020	-	76,247	912,944	989,191
Charge for the Year	-	4,013	75,486	79,499
Disposals	-	-	-	-
At 31 December 2020	-	80,260	988,430	1,068,690
Net Book Value				
At 31 December 2020	5,535,622	120,395	194,692	5,850,709
At 31 December 2019	5,527,247	124,408	239,752	5,891,407

Tangible assets donated on creation of the Trust have been valued in accordance with their insurance values at the time.

All tangible fixed assets are used in direct furtherance of the charity's objectives.

The leasehold property is held on a 1,000 year lease that expires in 2841.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

9 Investments	2020 £	2019 £
Listed on a recognised stock exchange:		
Market value of Portfolio at 1 January 2020	15,632,898	13,929,862
Transfers to/(from) cash	212,824	(465,710)
Net investment (disposals)/additions made in the year	394,559	551,124
Realised and unrealised gains/(losses) on investments	(807,899)	1,617,622
Market value at 31 December 2020	15,432,382	15,632,898
UK Cash held as part of the investment portfolio:		
Balance at 1 January 2020	1,742,283	1,726,573
Transfers (to)/from listed investments	(212,824)	465,710
Withdrawn from investment	-	(450,000)
Balance at 31 December 2020	1,529,459	1,742,283
UK Investment properties:		
Balance at 1 January 2020	1,526,709	1,464,765
Additions to investment properties	-	-
Revaluation during year	96,752	61,944
Market value of investment property at 31 December 2020	1,623,461	1,526,709
Programme related property investments:		
Balance at 1 January 2020 and cost of programme related investments at 31 December 2020	752,492	752,492
	19,337,794	19,654,382

The investment property donated on creation of the Trust has been valued by the Trustees on the basis of its building insurance value. The investment property purchased in 2015 has been included at indexed cost. These are considered to be fair values.

The programme related property investment has been made to support another religious order and is valued at cost.

The market value of the listed investments held at 31 December 2020 was £15,432,382 (2019: £15,632,898); of this value £4,495,889 (2019: £4,131,740) relates to non-UK investments. The cost of listed investments at 31 December 2020 was £14,290,343 (2019: £13,662,642). The trustees consider that there were no material individual investment holdings in the year that require disclosure.

All quoted investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds and unit trusts are at bid price. The basis of fair value for quoted investments is equivalent to the market value. Assets sales and purchases are recognised at the date of trade at cost (that is their transaction value).

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

10 Debtors	2020	2019
	£	£
Trade Debtors	5,372	6,609
Prepayments and accrued income	82,736	357,995
	<u>88,108</u>	<u>364,604</u>
11 Creditors	2020	2019
	£	£
Other Creditors	186,531	194,449
Repayable Dowries	1,117,097	1,097,397
	<u>1,303,628</u>	<u>1,291,846</u>

12 Restricted Funds

The Congregation of Solesmes restricted fund represents an amount prescribed by the Congregation. It may not be expended without the Congregation's permission. The fund is held in the form of traded investments which enable it to be accessed if required. A transfer is made to or from the fund to ensure it continues to match the Congregation's requirements.

The movement on the restricted fund is shown below.

	Balance at 1 Jan 2020	Incoming Gifts	Transfers	Expenditure	Balance at 31 Dec 2020
	£	£	£	£	£
Current year:					
Congregation of Solesmes	2,017,623	-	642,993	-	2,660,616
	<u>2,017,623</u>	<u>-</u>	<u>642,993</u>	<u>-</u>	<u>2,660,616</u>
Previous year:					
Congregation of Solesmes	1,595,730	-	421,893	-	2,017,623
	<u>1,595,730</u>	<u>-</u>	<u>421,893</u>	<u>-</u>	<u>2,017,623</u>

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

13 Unrestricted Funds

The movements on the designated and unrestricted funds are shown below.

Current year:	Balance at 1 Jan 2020 £	Income £	Expenditure/ Transfers £	Depreciation/ Gains/ (Losses) £	Balance at 31 Dec 2020 £
Designated Funds					
Repairs	595,205	-	(10,266)	-	584,939
Nursing Fees	1,800,000	-	-	-	1,800,000
Library and liturgical Books	22,143	-	-	-	22,143
Contingency Reserve	2,022,351	-	70,524	-	2,092,875
Fixed Assets/PRI	6,643,899	-	38,801	(79,499)	6,603,201
New Car	12,000	-	-	-	12,000
India	440	-	-	-	440
Visiting Nuns Fund	5,000	-	-	-	5,000
Total Designated Funds	11,101,038	-	99,059	(79,499)	11,120,598
Unrestricted General Fund	11,641,357	695,881	(1,198,206)	(711,147)	10,427,885
Total Unrestricted Funds	22,742,395	695,881	(1,099,147)	(790,646)	21,548,483

Previous year:	Balance at 1 Jan 2019 £	Income £	Expenditure/ Transfers £	Depreciation/ Gains/ (Losses) £	Balance at 31 Dec 2019 £
Designated Funds					
Repairs	606,485	-	(11,280)	-	595,205
Nursing Fees	2,100,000	-	(300,000)	-	1,800,000
Library and liturgical Books	22,143	-	-	-	22,143
Contingency Reserve	1,936,714	-	85,637	-	2,022,351
Fixed Assets/PRI	6,653,086	-	68,608	(77,795)	6,643,899
New Car	12,000	-	-	-	12,000
India	210	230	-	-	440
Visiting Nuns Fund	5,000	-	-	-	5,000
Total Designated Funds	11,335,638	230	(157,035)	(77,795)	11,101,038
Unrestricted General Fund	9,848,740	1,186,986	(1,073,935)	1,679,566	11,641,357
Total Unrestricted Funds	21,184,378	1,187,216	(1,230,970)	1,601,771	22,742,395

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

13 Unrestricted Funds *(continued)*

Repairs fund

This represents a reserve designated for building maintenance. A transfer from this fund has been made during the year so that the fund amounts to five years repair costs.

Nursing fees

This is a fund designated to meet the cost of nursing fees likely to be required if a Sister is in need of specialist care.

Library books

The Abbey has to meet the costs of providing new books for the library and choir. This fund is to ensure that these costs can be met as and when required.

Contingency reserve

This designation is to be used for emergency purposes and is based on the cost of maintaining the Community over the last five years. A transfer to the fund has been made during the year to reflect this.

Fixed asset and PRI reserve

This fund represents the net book value of the Charity's tangible fixed assets and programme related investments (PRI). A transfer is made to or from unrestricted reserves each year to ensure that the fund continues to reflect the net book value of these assets.

New car

This fund is for the purchase of a new car.

India fund

This is a fund used to account for gifts and donations from the monastery and from friends so that the Charity is able to assist in an emergency and pay for machinery for altar breads from other European countries.

Visiting nuns reserve

This designation is for anticipated long term costs that will arise in connection with Sisters staying at the Abbey.

14 Commitments

The charity has promised to allow a religious community to live in one of its properties for as long as the community needs it.

At 31 December 2020 the Abbey had no capital commitments. At 31 December 2019 the Abbey had commitments of £11,509 for updating the Abbey's bells and £11,938 for replacing gas piping.

St Cecilia's Abbey

Notes and Accounting Policies

Year Ended 31 December 2020

15 Obligations under operating leases

Lessor

The total of future minimum lease payments receivable is as follows:

	2020 £	2019 £
Not later than one year	5,032	4,992
Later than one year and not later than five years	3,168	3,168
Later than five years	-	3,960
	<u>8,200</u>	<u>12,120</u>

16 Split of Assets Between Funds

	Restricted Fund	Unrestricted Funds	2020 Total Funds	2019 Total Funds
	£	£	£	£
Represented by:				
Tangible fixed assets	-	5,850,709	5,850,709	5,891,407
Investments	2,660,616	16,677,178	19,337,794	19,654,382
Current assets	-	324,224	324,224	506,075
Current liabilities	-	(1,303,628)	(1,303,628)	(1,291,846)
	<u>2,660,616</u>	<u>21,548,483</u>	<u>24,209,099</u>	<u>24,760,018</u>

17 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(550,919)	1,979,910
Adjustments for:		
Depreciation charges	79,499	77,795
Losses/(gains) on investments	711,147	(1,679,566)
Dividends, interest and rents from investments	(466,949)	(649,407)
Decrease /(increase) in debtors	276,496	(287,422)
Increase / (decrease) in creditors	11,782	131,902
Net cash provided by/(used in) operating activities	<u>61,056</u>	<u>(426,788)</u>

18 Funds received as agent

Until the pandemic began the Abbey held a weekly collection, as agent, on behalf of 'St Mary's Church, Ryde'. The income and payments to the church are not included in these accounts. There was no balance due to St Mary's Church at 31 December 2020. This practice was discontinued at the time of the first lockdown and there is no plan to resume it.