



WORTH ABBEY AND ITS SUBSIDIARIES

Our annual report and consolidated financial statements

for the year ended 31 August 2020



Contents

•	Foreword from the Chair & Chief Executive Officer	2
•	Trustees report (incorporating the Strategic Report)	3
•	Our finances: a review of 2019/2020	15
•	Our plans for 2020/2021	19
•	Legal structure & governance	20
•	Statement of Trustee responsibilities	27
•	Independent auditors report	28
•	Consolidated Statement of Financial Activities including an Income & Expenditure Account for the year ended 31 August 2020	31
•	Consolidated Balance Sheet as at 31 August 2020	32
•	Charity Balance Sheet as at 31 August 2020	33
•	Consolidated Cash Flow Statement for the year ended 31 August 2020	34
•	Notes to the Financial Statements	35
•	Reference & Administrative details	59



Contents

Dear Friends,

When 2019/20 started little did we know that the coronavirus pandemic would lead to such significant change and adjustment for everyone. Whilst the pandemic meant we had to stop or curtail many of our activities, it also enabled us all to discover how resilient we are, how adaptable we can be and how much we can achieve even when our physical doors are closed. We are delighted that despite the challenging times, we have been able to continue much of what we had hoped to do. Our key achievements for the year are outlined to the right and within the body of this report.

We extend our heartfelt thanks and gratitude to all those who have supported Worth Abbey during the year. In particular, to our staff and volunteers, the staff and Governors of Worth School, the Trustees of Worth Abbey, the members of the Monastic Community, and our generous donors and other supporters.

The continuance of the coronavirus pandemic, a canonical visitation in January 2021 and an abbatial election in early summer 2021 as well as the Monastic Community's desire to progress with its own thinking about its future, means that 2021/2022 will continue to be a time of reflection, further change and looking forward for Worth Abbey.

May God bless us all for the year ahead.



The Right Reverend RL Jolly
The Abbot of Worth & Chair of
the Trustees of Worth Abbey



Sophia O'Hare
Chief Executive Officer,
Worth Abbey

2019/2020 key achievements

- Provided audio streaming for the Divine Office and Mass and a COVID-secure Abbey Church for quiet reflection and silent prayer; pages 5 & 7
- Continued to work alongside Worth School by providing monastic chaplains, accommodation for the 'Forerunners' and online worship services, pastoral support and formation for pupils and staff; page 5
- Commenced the development of a plan to expand and diversify Worth Abbey Projects Limited's (WAP) commercial activities (known as 'Project Nursia') in accordance with Benedictine principles; page 12
- Increased our staffing capacity by employing a full time Finance Director and Company Secretary. Worth Abbey Projects Limited employed a full time Commercial Manager; pages 12 & 23
- Moved forward with adopting a more proportionate approach to risk management; page 18
- Continued to support Worth Abbey Outreach Peru and began a review of all elements of its programme; and page 11
- Completed a professional valuation of our woodland and nearly completed the valuation of the Worth Estate (delayed due to coronavirus). page 8



Trustees report 2019/20 (incorporating the Strategic Report)

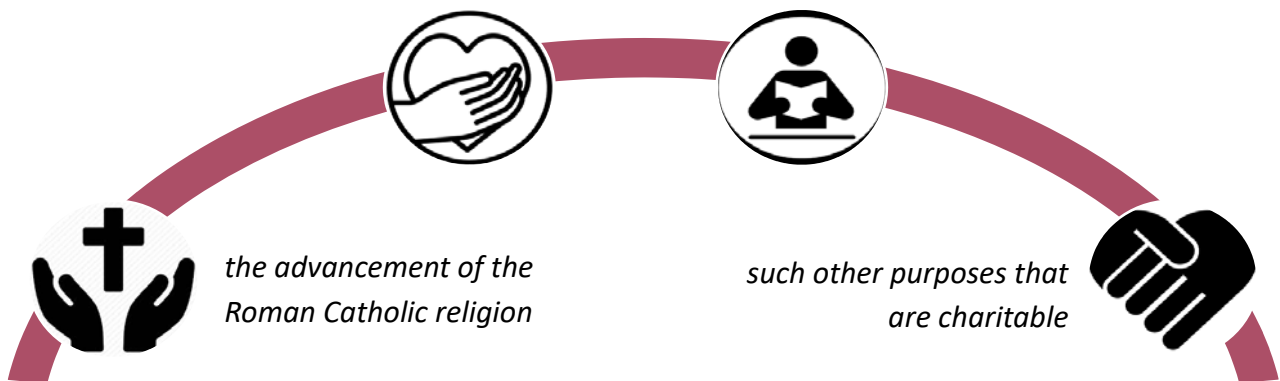
The Trustees, who also served as company directors during the year are pleased to present their report and the consolidated financial statements for Worth Abbey and its subsidiaries for the year ended 31 August 2020. The Trustees confirm that the financial statements comply with current statutory requirements, those of the various governing documents and the requirements of the Charities SORP (FRS 102).

Worth Abbey is a registered charity based in Turners Hill, near Crawley in West Sussex. The monks of Worth Abbey, in response to the call of Christ, follow the life-giving guidance of the Rule of St. Benedict.

The Objects of the charity are:

the relief of the infirm, aged or poor, and in particular the relief of aged priests and clerics and other persons professing the Roman Catholic religion

the advancement of education including the education and training of priests and persons desirous of becoming priests of the Roman Catholic religion



Living from monastic wisdom, we welcome visitors to share the monk's' life of prayer and we evangelise through our pastoral works.

How our work delivers public benefit

Under section four of the Charities Act 2011, we have a duty to report on the public benefit that we deliver. Taking the Charity Commission's guidance into consideration, the Trustees are satisfied that our public benefit requirements have been met in numerous ways as detailed within this report.



Our Monastic Community

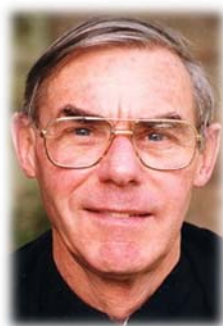


At the time of finalising this report we have 12 Benedictine monks who live together on site at Worth Abbey. The monastic life is centred around Bible reading (*Lectio Divina*), personal

prayer, sacred liturgy, hospitality and discipleship. Over the last few years the Community has improved the quality and discipline of life together by fostering more structured communal reflection and learning. The monks meet several times a year for 'Community Days' which are used for ongoing formation.

Every member of the Community seeks God in prayer. Living together in fellowship, members of the Community are encouraged to support each other, show respect and patience and be faithful to community life.

Following St Benedict's concern that care for the sick must rank above and before all else, and that both the old and the young should be treated with compassion, we continue to monitor the long term care of those within the Monastic Community who, through age or infirmity are unable to look after themselves. We seek to ensure that they receive the best possible care within our Infirmary facilities. To assist us in this respect we employ a Care and Health Manager, a live-in carer, two part-time nursing staff, and other day carers who assist us in providing the necessary medical and other care required. After long and fruitful monastic lives two of our monks died in old age:



Fr. Richard Wilson
(19 July 1930 - 30 Dec 2019)



Fr. Bede Hill
(13 Apr 1931 - 10 May 2020)

The coronavirus lockdown had a significant impact on the Monastic Community and their day to day living, however we are pleased to report that at the time of finalising this report there have been no confirmed cases of COVID-19 amongst our Community. The monastery was closed to visitors in March 2020 and access continues to be limited in order to protect the vulnerable and to support those working within the Monastery's



health services. The need to draw apart physically from those who would normally join the Community for Sunday and weekday Mass, or come to the daily pattern of monastic prayer has been a significant adjustment for both the Community and those who would normally join them. However our Community has continued to live, pray and meet together and by use of audio streaming Monastic Offices via YouTube and video-conferencing they have been able to reach out to the immediate locality and to the wider world.

Worth School



Worth School is a co-educational Roman Catholic boarding and day independent school for pupils from 11 to 18 years of age. The school is located on the 500-acre Worth Abbey estate. Worth School is a subsidiary charity of Worth Abbey who is the sole member. The Abbot of Worth is President of the Worth School Board and also a Governor of the School. Fr. David Jarmy (a Worth Abbey monk) also joins the Abbot as a Governor. Worth School produces its own annual report which is published separately.

Worth Abbey continues to work alongside Worth School in a number of ways:

The Chaplaincy Team: The inspiration for our way of life at Worth School comes directly from *The Rule of St Benedict*. The fact that Benedict's spirituality is designed for community living makes it readily adaptable to school life. The Chaplaincy is led by the Director of Mission, Will Desmond, and comprises a team of six youth ministers. For the period under review, there were three monastic chaplains: Fr. Martin McGee, Fr. David Jarmy and Fr. Gabriel Dobson. Monastic involvement in, and support of, the Chaplaincy helps to ensure that the Benedictine and Catholic ethos of the School is maintained and strengthened.

'The Forerunners': Worth School has a team of youth ministers (known as 'The Forerunners') who work in collaboration with the Monastic Community and the Chaplains in the School. The term forerunner refers to a person who goes ahead of another to prepare the way. The Forerunners take their inspiration from John the Baptist (the most famous forerunner in the Bible) who prepared the way for Christ. The Forerunners at Worth seek to awaken dignity in young people by helping them discover their God-given identity. They do this by bringing about a culture of discipleship in the School and preparing the way for Jesus Christ in people's hearts. They operate out of six discipleship principles found in John 1:35-42. Worth Abbey further supports the Forerunners by providing them with accommodation in Compass House, situated opposite Worth Abbey Church.

Values: The key Benedictine and Catholic values of silence, worship, humility, community, service, and stewardship are kept constantly before the School in worship and in the everyday interactions in the Houses and classrooms. Among the activities engaged in by the Forerunners and the chaplains were the following: staff induction, parent seminars, a whole school weekly act of worship (called Wednesday Worship), Sunday Mass, morning and night prayer in the Houses, the Sacrament of Reconciliation, sacramental preparation for Baptism, Holy Communion and Confirmation, Days of Reflection, pilgrimages, voluntary service and hospitality in the Chaplaincy.



Due to the coronavirus pandemic, Worth School closed on 23 March 2020. However the Forerunners and Monastic Chaplains continued to support the School during this time by providing online worship services, pastoral support and formation for pupils and staff.

Worth Abbey expresses its thanks and gratitude to the School Governors, School Senior Leadership Team and its teaching and support staff for their tremendous efforts in response to the impacts of coronavirus pandemic which ensured the continuity of the provision of education.

Hospitality and retreats

Hospitality is a key mark of Benedictine monasteries and over the years the Monastic Community have welcomed many visitors to Worth for retreats, spiritual direction and holistic recreation in the Abbey's beautiful and natural environment. We normally offer hospitality and retreats in two ways:



'The Open Cloister' at St Bruno's: is our Benedictine Retreat Centre. It is run on behalf of Worth Abbey by its trading subsidiary, Worth Abbey Projects Limited (see page 12). Worth Abbey employs a full-time administrator and two part-time chefs, all of whom were furloughed from the start of the pandemic and remained so for the remainder of the period under

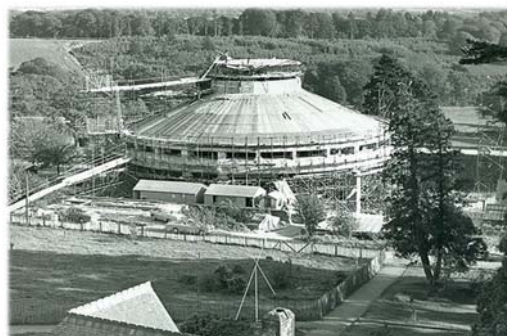
review. Men and women from all faiths are welcomed for midweek and weekend retreats which are facilitated by members of the Monastic Community and lay collaborators. The Open Cloister is a space where we share our own search for God with others who are also seeking God in their daily life. It represents our commitment to responding to the increasing spiritual needs within our contemporary society.

Monastery guests: we have a small number of guest rooms within the Monastery available for male guests who wish to come on retreat to share in the liturgical and community life of the monks. This is run by the Monastery Guest Master (Fr. James Cutts). Meals are taken with the monks in the Monastery refectory, in silence, with reading, and the monastic day centres around the rhythm of the Divine Office and daily Mass.

In March 2020, the coronavirus pandemic forced us to close our doors for retreats at The Open Cloister and to monastery guests, but we look forward to a brighter future when we are able to host people again once it is safe to do so.

Worth Abbey Church

Designed by the architect Francis Pollen and opened in 1974, the Grade II listed Abbey Church adjoins the monastery buildings, also designed by Pollen. The church provides a welcoming place to seek peace, solace, and community.



As a result of the coronavirus pandemic, the Church closed to the public on 23 March 2020. It re-opened only for private prayer on 24 June 2020 and a limited range of public liturgy re-started on 11 July 2020.



Trustees report 2019/20 (incorporating the Strategic Report)

In collaboration with the Diocese of Arundel and Brighton, with guidance from the Bishops' Conference of England and Wales and guidance from the UK Government, Worth Abbey put in place a number of 'COVID-19 Secure' measures to keep its worshippers safe during the pandemic. Since 24 July 2020, in line with Government guidance it has been mandatory to wear a face covering upon entering the Narthex and Church. We have also:

- recruited volunteer stewards (to assist with managing social distancing);
- installed signage and hand sanitisation stations;
- undertaken more frequent cleaning; and
- developed a one way system and maintained separate entrance and exits.



The pandemic provided an opportunity for the Parish and Monastic Community to rethink this part of their outreach. It resulted in an increased use of the websites and the audio live streaming for the Divine Office and Mass. On particular occasions, the audio streamed Mass was dedicated to all the NHS staff and those who had died during the pandemic.

Normally the Abbey Church, because of its size, would be used for many large liturgical and other celebrations. This would include Worth School 'Speech Day' (normally held in May), Chichester Diocese Primary School Leavers service (normally held in July) and many weddings, baptisms, funerals and confirmation services. The coronavirus pandemic meant that most of these events had to be cancelled.

In July 2020, guidance was issued by both the UK Government and the Bishops' Conference of England and Wales (alongside guidance from the UK Government) regarding the holding of funerals and weddings which permitted some limited services to be held.



We are mindful of the impacts and difficulties that the coronavirus pandemic and the imposed restrictions have had on all of us. Catholic communities make full use of churches and they are an essential contribution to the well-being, resilience and health of our society. We look forward to welcoming our parishioners again, when it is safe to do, so that we can once again make full use of our church at Worth as a place of individual prayer and a source of solace and welcome.



Worth Abbey Estate



The Worth Abbey estate is within an Area of Outstanding Natural Beauty and spans 500 acres of West Sussex countryside. All of the land and buildings on the estate are owned by Worth Abbey, some of which are leased to Worth School.

In 2019, Worth Abbey engaged Gerald Eve to undertake a full valuation of the estate. Due to the impacts of coronavirus, our valuation has yet to be finalised but we look forward to achieving this before the end of 2020/2021.

During the year a professional valuation of the woodland was undertaken (see Note 8). The Estate contains 82.59 hectares of permanent grassland and 84.73 hectares of forestry that is actively managed as part of the Estate Woodland Management Plan. During 2019/20 we harvested around 550 tonnes of timber from across the estate.

In December 2020, Worth Abbey and Worth School agreed to work together to implement the Worth Estate Biomass project which will serve the bulk of the estate for years to come. This investment of £2.3m will provide an ecologically friendly alternative to existing oil based heating. Wood biomass fuel will be sourced locally and potentially from our own estate.

During the year under review, Worth Abbey employed the members of the Buildings and Maintenance (B&M) department (who worked across the entire Abbey estate). On 1 February 2021 the employment of the B&M department was transferred to Worth School, a process governed by the Transfer of Undertakings and Protection of Employment Regulations (as amended), known as 'TUPE'. The key reason for this transfer was to assist Worth School in delivering and implementing the Worth Estate Biomass project in the best interests of both charities, by being better placed to direct the activities of the B&M department.

Quiet Garden

Our quiet garden is over 100 years old and was opened to the public in 2000 as part of the Quiet Garden Movement. A publically accessible space maintained as a place of beauty and tranquillity which attracts many visitors looking for stillness in a busy world, it is maintained personally by the Monastic Community. Due to safety concerns, access to the Victorian Bridge was closed during the year and our plans to engage students from Sussex University on a viable options study as a final year dissertation project were halted due to the coronavirus pandemic. We do, plan to take this work forward in 2020/21 by assessing the potential of a heritage grant for restoration.



Our Parish



The Worth Abbey Parish is part of the Diocese of Arundel and Brighton and was created in the 1960's from the country area between the large town parishes of East Grinstead, Haywards Heath and Crawley. Our local parish numbers approximately 300 parishioners and serves the communities of Turners Hill, Balcombe, Crawley Down, Ardingly, Sharpthorne and West Hoathly. The parish also attracts, particularly to the Sunday Mass, many who live outside the parish boundaries. Fr. Paul Fleetwood (a monk of Worth Abbey) has been the parish priest since 2015.

Worth Abbey is grateful and thankful to the active members of the parish community who have continued to support and volunteer on a number of initiatives despite the coronavirus pandemic. Full details of the activities undertaken by the Parish can be found on its website:

worthabbeyparish.co.uk. Worth Abbey Parish benefits from the resources and skills of Worth Abbey for its main Sunday celebration in the Abbey Church. Where this has not been possible (due to coronavirus) services have been audio-streamed via YouTube.

Catechesis (religious instruction) of both children and adults is an important part of the work of the parish. This work has continued, despite the coronavirus pandemic by utilising virtual technology.

Brighton Mission

We have continued to focus on developing a joint pastoral ministry with the Wellspring Community, a community of lay people whose formation in their Benedictine spirituality is supported by Worth Abbey and with whom Worth shares a special friendship.

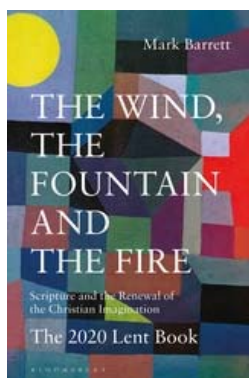


Prior to the outbreak of the coronavirus pandemic, two monks (Fr. Roderick Jones and Fr. Peter Williams) lived and worked alongside the Wellspring Community in the Elm Grove area of Brighton. As part of this Mission, Fr. Roderick has been appointed by the Diocese of Arundel and Brighton as the Roman Catholic Chaplain to Sussex University. This first year of the Brighton Mission was mutually beneficial, collaborating with Wellspring's mission to young adults and assisting the Wellspring Community in their formation while at the same time learning from the urban experience to focus on re-foundation and monastic mission in the 21st century.

Looking to 2021 and building on that experience, we plan to move to a new phase by establishing a more intentional monastic community of four monks. Their priority will be to follow the Benedictine way of life and to be a witness to the gospel, living alongside both the Wellspring Community and the people of East Brighton. As far as coronavirus allows they will offer hospitality and engage in pastoral ministry in the local parish and with Wellspring. Fr. Roderick will continue in his role as the Catholic Chaplain to Sussex University.



Scholarship and publications



Fr. Mark Barrett was commissioned by the publisher Bloomsbury to write the Bloomsbury Continuum Lent Book for 2020. *'The Wind, the Fountain and the Fire: Scripture and the Renewal of the Christian Imagination'* was published in December 2019.

The book was the subject of a St Paul's Sunday Forum, 'The Wind, the Fountain and the Fire: Psalms and the Christian Imagination' presented by Fr. Mark Barrett at St Paul's Cathedral on the first Sunday of Lent, 1st March 2020, [Sunday Forum Films - St Paul's Cathedral](#).

Fr. Martin McGee has published two articles in the monthly magazine *Spirituality*: 'The Practice of Lectio Divina: A New Spiritual Springtime' (January/February 2020) and, 'Seeing with the Eye of Your Heart, Homily for 4th Sunday of Lent' (May/June 2020).

Our work with other Benedictine Monasteries

Since January 2018, at the request of the President of the English Benedictine Congregation, one of our monks (Fr. Mark Barrett) has served as a Trustee at Downside Abbey General Trust (DAGT). In September 2019, DAGT separated from the newly established independent trust, Downside School, a process which was overseen by the Charity Commission.



During June 2020, Fr. Mark Barrett facilitated a month long discernment process for the resident Monastic Community of Downside Abbey concerning their collective future. This process led to their decision to leave their home of 200 years at Stratton-on-the-Fosse and seek alternative accommodation, and the election in July 2020 of Dom Nicholas Wetz as Abbot of Downside.

Similarly, Fr. Stephen Ortiger is assisting the Monastic Community at Buckfast Abbey by being an external member of their Abbots Council.



Other forms of outreach beyond Worth

Members of our Monastic Community continue to operate beyond Worth in a variety of capacities:

- Fr. Stephen Ortiger is Episcopal Vicar for Religious in the diocese of Arundel and Brighton, representing the Bishop to about 40 Orders, Congregations, and Institutes of Religious Sisters, Brothers and Priests. He is also diocesan Co-ordinator of School Chaplains. In addition to these roles he is currently serving the diocese as Priest in Residence in the Parish of Our Lady Star of the Sea, East Preston, West Sussex;



THE CATHOLIC DIOCESE OF
ARUNDEL & BRIGHTON



- Fr. Paul Fleetwood works with Inter-faith on behalf of the Diocese of Arundel and Brighton. He plays a part in the local Crawley Interfaith Forum and in the Faiths in Sussex group, helping to organise Interfaith events at Worth and elsewhere. He has a limited chaplaincy role at the Immigration Removal Centres of Tinsley House and Brook House, Gatwick Airport. This has been particularly valuable ministry in the ongoing immigration situation in Europe;
- Fr. Martin McGee helps as an interreligious advisor to the Arundel and Brighton Diocese Diocesan Interfaith Group;
- Fr. Mark Barrett is a member of the Continuing Formation Commission of the English Benedictine Congregation. In 2019-2020, the Commission has sponsored a programme of professional training in facilitation skills for English and German monks and nuns. Over the months of the 2020 pandemic the Commission has promoted a series of online seminars for the monks and nuns of the English Benedictine Congregation led by monastic and lay scholars and teachers from the USA, Australia and the UK. These seminars have offered their participants Christian insights into the demands of the pandemic and of life during lockdown, as well as offering the dispersed communities of the EBC an opportunity to meet and exchange information. The Commission is now supporting the EBC by working towards the next General Chapter of the Congregation, expected in July 2021.
- Since April 2020, Fr Peter Williams has been providing three sessions a week (praise and worship, Lectio Divina and meditation) with Justice Defenders, a registered UK charity and U.S. non-profit with nearly 350 people working across four African countries who help to bring justice to prisoners. The sessions are voluntary and are attended by Justice Defender para-legals (people who volunteer to help prisoners present their cases in court), prisoners and prison officers.

The
**English
Benedictine
Congregation**

 **Justice
Defenders**

Worth Abbey Outreach Peru (WAOP)

Established in 1968, WAOP is a Restricted Fund of Worth Abbey. Though the monks are no longer resident in Peru, WAOP works together with our five major partners of the Peruvian Catholic Church towards a society where poverty is ended so that physical, social and spiritual well-being of the people of Peru is assured.



In 2011, the Abbot's Council took the view, following discussion with the Monastic Community, that the 'director' of WAOP should be a monk, ideally someone with lived experience of Peru. Fr. Alexander da Costa Fernandes currently occupies this position and has done so since 2013. Fr. Alexander's last visit to Peru was in November 2019, prior to the coronavirus pandemic taking hold, and he welcomed the opportunity to see the impact that WAOP has had by visiting the Ayacucho Children's Home, Fe y Alegria, Centro de Estudios y Publicaciones (CEP), Instituto Bartolome de las Casas (IBC) and the rural communities of Pucara.

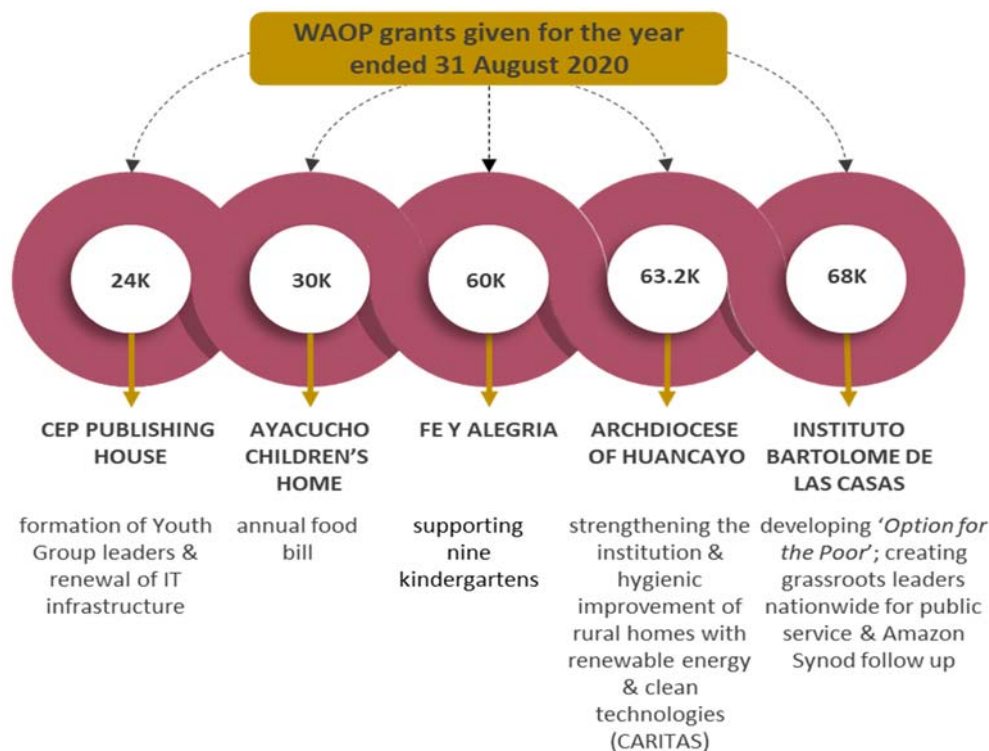


Trustees report 2019/20 (incorporating the Strategic Report)

The WAOP budget for 2019/20 is set out in Note 6b to the Financial Statements.

The Trustees of Worth Abbey have overall responsibility for the Fund but have delegated certain tasks and decision-making to the 'Outreach Peru Committee'. The Fund is also supported by a part-time Administrator, who was furloughed from the start of the pandemic to the end of the period under review.

In August 2020, WAOP received a request from the Administrator of the Archdiocese of Huancayo for emergency funds to assist in the fight against the effects of the coronavirus pandemic. Whilst outside of the period under review, the Trustees approved these emergency requests in September and November 2020.



In 2020/21, we will be reviewing all elements of WAOP especially with respect to effective risk management and mitigation and the future of Outreach Peru in the longer term in view of the effects of the pandemic.

Our work with our trading subsidiary: Worth Abbey Projects Limited (WAP)

WAP is a wholly owned commercial trading subsidiary of Worth Abbey, the purpose of which is to raise funds for Worth Abbey and any charities associated with Worth Abbey.

In March 2020, WAP employed a Commercial Manager to assist in developing a plan for expanding and diversifying WAP's commercial activities in accordance with Benedictine principles. Not only will this allow WAP to meet the needs of a wider range of the public but it will also identify potential new income streams which is necessary in the wake of the coronavirus pandemic. Our work in this area (named 'Project Nursia, after the birthplace of St Benedict) will see the development of a five-year plan to be implemented in phases.

The current commercial activity undertaken by WAP complements in a number of ways the charitable objects of Worth Abbey:





The 'Open Cloister': already highlighted on page 6 of this report, is our Benedictine Retreat Centre. Groups can attend for day retreats or book the retreat house (St Bruno's) to run their own self-led retreats. The house comprises a comfortable sitting room with a dining area and a small library, there is also a small garden and patio area. The bedrooms (not all are en-suite) are divided between the ground and first floors and

include disabled bathroom facilities, on the ground floor.

In 2019/20 (September 2019 to March 2020) we welcomed over 1,000 residential and day visitors (2018/19: 4,000 residential and day visitors) and alongside guests to The Open Cloister there were nearly 600 day visitors to the Abbey Church (2018/19: 3,500). The lower numbers in 2019/20 were due to the coronavirus pandemic which saw The Open Cloister and St Bruno's close its doors on 23 March 2020 and beyond the end of this reporting period. A silver lining of the coronavirus pandemic is that it has enabled us to consider more broadly, in particular, how The Open Cloister might be sustainable in the future, engage new audiences and re-position itself.

Lettings: During the Easter and Summer school holidays, WAP utilises the buildings leased by Worth Abbey to Worth School to provide accommodation for a variety of groups. In previous years we have been privileged to welcome new and returning visitors, however our lettings programme for 2020 was cancelled in its entirety due to the coronavirus pandemic.



Bermondsey Huts: in accordance with the great respect for created things and in line with the famous rule of St Benedict (480-540) the monks of Worth Abbey like to share and make available to others the estate on which they live. The Bermondsey Huts are available to groups of people who would benefit from an inexpensive holiday or retreat in the countryside. Just like our lettings programme mentioned above, the Huts were closed in March 2020 due to the coronavirus pandemic and were still closed in August 2020.



Worth Abbey church bookshop: our bookshop closed in March 2020 due to the coronavirus pandemic and has yet to re-open. Staffed by a volunteer, the bookshop offers a wide range of religious books, together with compact discs, and some devotional objects. The bookshop is also the outlet for icons crafted by Fr. David Jarmy, one of the Monastic Community.

Worth Abbey Farm and Livery: our Farm is managed by a Farm Manager (employed by Worth Abbey) who is responsible for the Farm, woodland, sheep and stables. During the year, we also employed a Livery Supervisor, however this role was made redundant at the end of September 2020 due to the financial impacts of the coronavirus pandemic. There are currently 50 pure bred Lleyn ewes which lamb outdoors in spring. Prime butchered lamb meat is available to purchase



Trustees report 2019/20 (incorporating the Strategic Report)

from September to March via a box scheme. There are 38 stables used by local residents for DIY livery.

Forty hectares of the grassland pasture is entered in a Countryside Stewardship Agreement and managed with very low inputs and low livestock density to benefit wild birds, pollinators and invertebrate biodiversity. Eighty Hectares of woodland is also managed using a Forestry Commission approved plan and is also entered into a Countryside Stewardship Agreement. Woodland walks and footpaths are kept open and clear to promote access to the local community and visitors.



Financial review and results for the year

Worth Abbey and its subsidiaries made a surplus for the year ended 31 August 2020 of £364,562 (2019: £7,051,489). This surplus comprises £344,552 on unrestricted funds together with £20,010 on restricted funds.

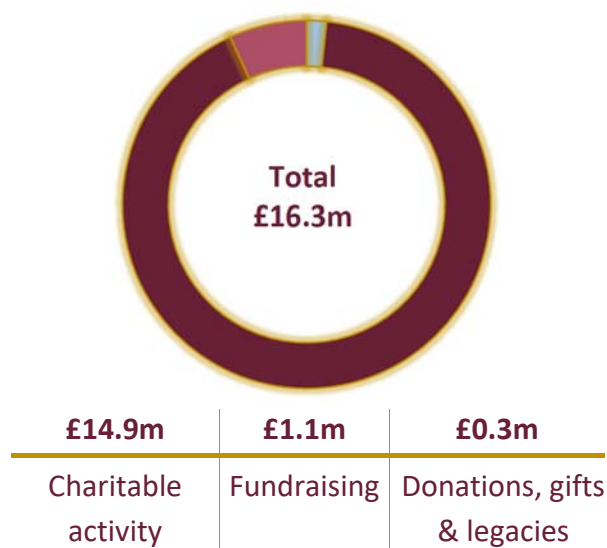
Separate financial statements have been prepared for Worth School, Worth Abbey Projects Limited and Worth Abbey Construction Limited and their results are incorporated into these consolidated financial statements.

Worth School made a retained surplus in the year ended 31 August 2020 of £467,446. Of this, £452,665 is made up of unrestricted funds and £14,781 of restricted funds.

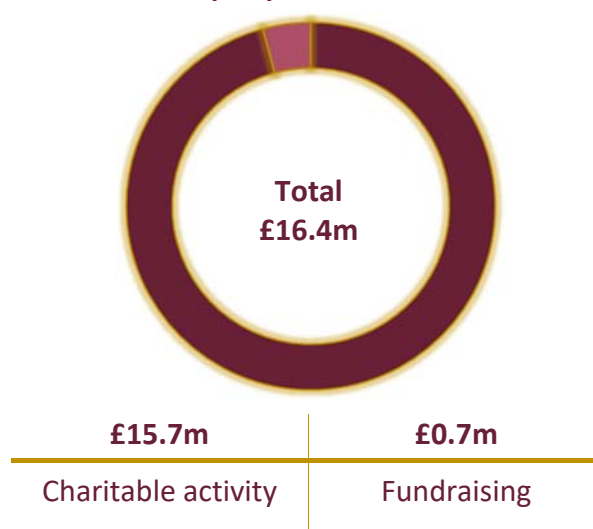
Restricted reserves had a brought forward balance of £854,692. No donation was made by Worth School to Worth Abbey this year (2019: £936 000) and Worth Abbey Projects Ltd was not able to covenant any profit to Worth School this year (2019: £166,000).

Worth Abbey has maintained its banking arrangements with HSBC and has committed and uncommitted facilities totalling £4.7 million of which £3.2 million was drawn down at the year end.

Total Group Income 2019/2020



Total Group Expenditure 2019/2020



Going concern and impact of COVID-19

The Group has continued to monitor its funding position and liquidity throughout the year to ensure it has sufficient funds to meet forecast cash requirements. Cash forecasts are regularly produced based on the Group's latest income and expenditure forecasts, management's best estimate of future pupil numbers at Worth School and the Group's borrowing facilities.

In light of the COVID-19 pandemic and its impact on the economy, management has produced forecasts that have also been sensitised to reflect plausible downside scenarios. Two downside scenarios have been considered. These assume a COVID-19 third wave resulting in a four-month school closure and a significant drop in pupil numbers by September 2021. They also reflect that a COVID-19 third wave would result in closure of the Church and restrictions on Worth Abbey's charitable activities together with the loss of lettings and retreat income in Worth Abbey Projects. These sensitised forecasts, which have been reviewed by the Trustees, demonstrate that the



Group has sufficient cash reserves to enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the Group has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis for preparing these financial statements.

Investment Property

Following changes to FRS102 the Abbey Trustees have reassessed the intended use of the estate's property portfolio. After careful consideration Abbey Trustees are content that at the time of finalising this report none of the properties owned by Worth Abbey are investment property and all property is therefore accounted for as tangible fixed assets.

Our approach to reserves management

Reserves are held for a number of practical reasons, including the following:

- to provide continuity if income unexpectedly falls;
- to provide working capital to meet upfront expenditure during the year before income is received; and
- to provide resource for investment

The Trustees policy is to hold reserves that are equal in amount to the value of the functional fixed assets used operationally by the Group plus one term's operating costs, although it is recognised this may require review in light of the coronavirus pandemic.

At present unrestricted reserves are £5.1million less than the net book value (at historical cost) of the functional fixed assets used by the Group. Part of this shortfall is financed by bank loans totalling £3.2 million. As there is an expectation of an ongoing income stream from Worth School with plans for an improved financial performance of the Group, the Trustees can accept the current level of reserves.

In order to meet the target level of reserves the Trustees are implementing plans to improve Group performance and to generate unrestricted income through diversification of Worth Abbey Projects Limited commercial activities.

As at 31 August 2020, the Group's unrestricted reserves amounted to £19,513,783 (2019: £20,208,364) and are detailed in Notes 15 and 16 to the financial statements. The Group's Restricted reserves amounted to £8,259,463 as at 31 August 2020 (2019: £8,239,452) and are detailed in Note 15 to the financial statements.

As the owner of the freehold of Worth Estate and buildings, Worth Abbey has agreed both to finance and either develop or refurbish specific assets, and then provide them for use by the School under a leasehold arrangement. Worth Abbey has also identified certain of its own developmental needs and these together with future potential projects and the requirement of the Worth School Co-educational Development Plan are being funded by long term bank loans, surpluses and donations.



Note 15 to the financial statements sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis. A description of the restricted funds appear in Note 15 to the financial statements.

Our approach to investments

Worth Abbey's investment powers are set out in its governing document, namely its Articles of Association and documentation relating to relevant funds. The Articles of Association permit the funds to be invested in any investments, securities and property of any kind situated anywhere in the world. The Trustees' on-going policy is to achieve long term capital growth whilst maintaining a balanced approach to investment risk.

The Trustees have appointed Investment Managers to monitor and report investment performance.

The majority of Worth Abbey's investments are placed in BlackRock Catholic Charities Growth and Income Fund, managed by BlackRock Investment Management (UK) Limited, chosen on the basis of the Fund's objective of achieving capital growth and a growing level of income whilst adhering to Worth Abbey's ethical investment policy. In November 2015, Fr. Patrick Fludder (Worth Abbey Bursar) was appointed to the Catholic Charities Growth & Income Fund Advisory Board to help maintain the Fund's specifically Roman Catholic ethical policy and oversee the Manager's responsibility in administering the Fund for the benefit of all the Unitholders. On 06 December 2019, the Blackrock Common Investment Fund (CIF) closed and the assets were transferred to BlackRock Charities Funds a Charity Authorised Investment Fund ('CAIF'). The CAIF is run with the same investment objective and policy. In the financial year 01 September 2019 to 31 August 2020, the value of Worth Abbey's investments decreased by 1.508% in addition to the dividends received that represent a return of 2.72%.

The Fund supporting Worth Abbey's mission in Peru has been managed by Smith and Williamson in a USD denominated bespoke investment account with a similar ethical policy. In this financial year, the underlying USD value of the Peru investments has decreased by 3.4% reflecting drawdowns in excess of underlying investment growth. The income is reinvested and grants to the projects that Worth Abbey supports in Peru are made in USD after approval by the Worth Abbey Outreach Peru Committee.

The Trustees periodically review the performance of investments against benchmarks set. The Outreach Peru Fund has broadly matched its benchmark this year whilst the BlackRock fund's total return has outperformed benchmark over the year.

During 2018/19 an alumnus of Worth School made a donation of £6.25m for the purposes of building and fitting out a new Sixth Form Centre for the School. A Restricted fund has been established and construction work commenced in summer 2020 with completion expected by September 2021.

To properly care for cash deposits of restricted funds until they can be spent on their specific purposes the Trustees have deposited funds with Flagstone Investment Management. Flagstone's simple, secure online platform gives access to hundreds of deposit accounts from a large number



of banks and building societies through a single application, empowering the Charity to earn more interest income and reduce risk.

Risks and uncertainties

The Trustees are responsible for Worth Abbey's systems of internal control and for reviewing its effectiveness. In May 2020, Worth Abbey's contract with RiskAid (risk management software for identifying, evaluating and managing the risks faced by Worth Abbey) ended and we are now in the process of moving towards adopting a more straight forward and proportionate approach to risk management.

Where hazards have been identified, individual risk assessments continue to be undertaken and each core area of Worth Abbey's operations are now working towards completing Risk Registers (based on a template developed from the NCVO and approved by Worth Abbey Trustees in July 2020) which highlight key strategic, governance, financial, operational and other risks. The intention of our control processes is to manage risk to within acceptable tolerances rather than eliminating it altogether. Going forward, Trustees will receive a twice yearly report on all 'red' risks and an annual review of all 'amber' risk.

Action taken to mitigate risks has included purchasing appropriate insurance cover. The Trustees are covered by trustee indemnity insurance which is included in Worth Abbey's insurance policy.

The principal risks and uncertainties facing the charity and its subsidiary undertakings during the year under review were the impacts from the coronavirus pandemic which led to the physical closure of Worth School and the Abbey Church and the cancellation of the lettings programme (inc. retreats, monastery guests and the Bermondsey Huts). This led to a significant reduction in income for the Worth Group as a whole which can be seen in the Financial Statements (pages 31 to 34). However, the Group acted quickly to mitigate against the impacts by:

- enabling online teaching for Worth School students;
- providing online worship services, pastoral support and formation for pupils and staff;
- audio streaming Monastic Offices via YouTube and video-conferencing;
- ensuring, where possible, our employees could safely work from home and where this was not possible ensuring their working environment was 'COVID-secure';
- making use of the Government funded Furlough Scheme; and
- setting up dedicated working groups in order to keep staff informed of the measures in place to protect them (operating in line with Government guidance) and to eventually allow the School to re-open.

The pandemic also enabled time to consider more broadly, how the Group might be sustainable in the future, particularly through the engagement of new audiences and re-positioning, particularly if the restrictions imposed by coronavirus are around for some time to come.



COVID-19 may, for a while shape what we do, but it does not define who we are

Whilst the COVID-19 pandemic has presented many challenges, we are looking forward to the coming year. The pandemic has provided us with an opportunity to consider how we can successfully adapt to a 'new normal' so we can flourish for the future.

Below we present our key themes for 2020/21 which we will regularly monitor and review throughout the year:

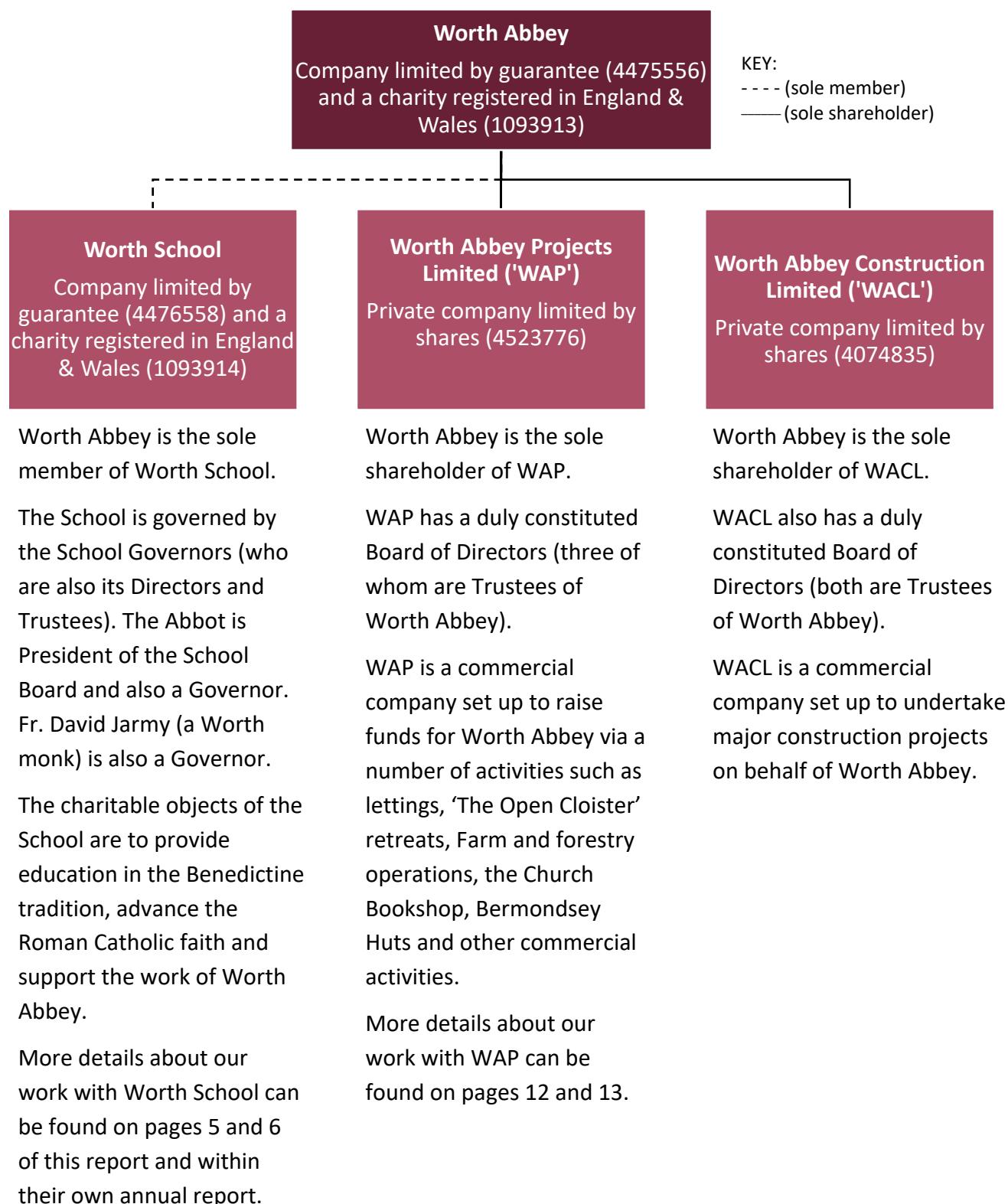


Legal structure & governance

Worth Abbey is a company limited by guarantee incorporated in England on 02 July 2002. Our Articles of Association were last amended on 02 July 2002 and provide for a limitation of member liability to £1. Worth Abbey is also a registered charity in England and Wales.

Group structure and relationships

For the purposes of company law, Worth Abbey is the parent company and there are three subsidiaries:



Legal structure & governance

The existing Group structure links us together and provides for certain decisions to be taken by Worth Abbey (in addition to those which are available under the Companies Act in respect of company members and shareholders). The governing documents (Articles) for each of the companies set out what these are.

Trustees of Worth Abbey and appointments

The Trustees of Worth Abbey are the Abbot and his Council. The Council is determined each December. The members of the Council act as the company directors, and under charity law they have legal duties and responsibilities as charity Trustees.

The Abbot is elected by the Monastic Community every eight years (the next election is due in early summer 2021) and the Abbot appoints the Prior. The other four spaces on the Council are comprised of two appointments made by the Abbot and two representatives elected by the Monastic Community.

The Trustees administer the affairs of Worth Abbey and during the year held 14 meetings. There is a schedule of matters reserved for its consideration; some of these matters it can decide upon, for others it makes recommendations to the Monastic Community. The Company is governed by its Articles of Association and the Constitutions of the Monks of the English Benedictine Congregation.

Abbot & Chair of Trustees: The Right Reverend Richard Luke Jolly BA, DSW

Trustees:

- The Very Reverend Christopher Aidan Murray BSc, PhD, BA, PGCE (Prior, *until 18 Dec 2020, appointed Safeguarding Trustee on 09 February 2021*)
- The Very Reverend John Douglas Barrett MA (Cantab), MA, PhD (Religious Safeguarding Lead and *appointed as Prior on 18 Dec 2020*)
- The Reverend Patrick Vincent Fludder BSc, BD, MA (Abbey Bursar)
- The Reverend Martin Edward McGee BA MA MST (*resigned 18 Dec 2020*)
- Brother Anthony Brockman BSc BTh (Safeguarding Trustee, *resigned 18 Dec 2020*)
- The Reverend Alexander Byron da Costa Fernandes BSc, ARCS, BA (*appointed 18 Dec 2020*)
- Reverend Philip James Cutts (*appointed 18 Dec 2020*)

Trustee skills and training

In spring 2020, the Trustees requested that a skills audit be undertaken. One was developed based on the Institute of Directors (IOD's) Competency Framework and the Chartered Governance Institute (ICSA) Guidance on a Skills Register for Charity Trustees. The results of this were presented to the Trustees in June 2020 and it was acknowledged that there was some evidence that the Trustees, collectively, would benefit from further skills, knowledge and experience. As a result a small working group has been established to consider the outcomes of the audit in more detail and this work is being taken forward into 2020/21.



Legal structure & governance

All Trustees have access to the wide range of online training and other resources available and each Trustee accepts that they individually have an obligation to take responsibility for their continued skill and knowledge development. Due to the coronavirus pandemic it was not possible to undertake face-to-face training for the majority of 2019/20, however Trustees have made use of the wide variety of online resources available to them. A Register of Trustee Training is also maintained by the Company Secretary.

Worth Abbey decision-making and committee structure

The Trustees have the ultimate responsibility for running the charity, with their principal duties being to set the strategic direction of the charity and ensure that the charity is solvent, properly run and delivers its charitable purposes.

Worth Abbey is committed to high standards of governance and In January 2021, became a member of the National Council for Voluntary Organisations (NCVO). Our membership has assisted us in strengthening our internal governance arrangements, a process which is ongoing. Going forward it is our intention to formally adopt the Charity Governance Code which we will use as a tool for embarking on our governance 'journey'. It will provide Worth Abbey with the building blocks towards high standards of governance through its seven key principles.



Worth Abbey Trustees are supported by a Trustee Advisory Committee (TAC) whose remit is to provide advice, guidance and/or recommendations on matters relating to strategy and policy which assist Worth Abbey in fulfilling its charitable objects. This Committee supersedes the 'Worth Resources Committee' which was disbanded in February 2020. The members of the TAC are:

Chair: The Right Reverend R L Jolly BA, DSW

Members: The Very Reverend J M Barrett MA (Cantab), MA, PhD

The Reverend P V Fludder BSc, BD, MA

The Very Reverend C A Murray BSc, PhD, BA, PGCE

Martyn Sullivan (Chartered Accountant FCA (ICAEW))

Kevin Smyth (Solicitor, full time Civil/Commercial and Workplace Mediator and Under Sheriff for The Bailiwick of Sussex)

Monica Turner (Independent HR consultant, Westminster Roman Catholic Diocese)

The Reverend Michael Thoms, BA (Hons) (*appointed 19 March 2021*)

Worth Abbey also has:

- two Health and Safety Committees (it is the intention to review the overall effectiveness of these current arrangements in 2020/21, as well as developing revised terms of reference);
- a Health and Care Advisory Committee (consisting of the Abbot, Prior, Abbey Bursar and Infirmary) provides support, feedback and guidance to the Infirmary and Care & Health Manager on the service(s) provided by the Monastery Healthcare Team, monitors the provision of safe and compliant health and medical care for the Monastic Community and



Legal structure & governance

advises and makes recommendations to the Worth Abbey Trustees;

- A Safeguarding Core Team consisting of the Religious Safeguarding Lead (RSL), deputy RSL, Worth Abbey Safeguarding Trustee, the Abbot and the Chief Executive Officer;
- Worth Abbey Outreach Peru Committee (consisting of the Abbot, Abbey Bursar, director of WAOP and one external advisor) which has some delegated authority from Trustees to make decisions on which projects to fund; and
- Weekly Management Team meetings which include all relevant line managers from across Worth Abbey's operations.

Worth Abbey introduced its own Finance Director in March 2020. As a result, we are currently working through how best to support the finance and investment function via an appropriate committee or other decision-making structure which is in the interests of Worth Abbey.

Worth Abbey Senior Executive Team

Alongside the Chief Executive (who was appointed in February 2019) the Team are responsible for the day-to-day running of Worth Abbey, Worth Abbey Projects Limited and Worth Abbey Construction Limited. At the time of finalising this report they are:

Chief Executive Officer: Sophia O'Hare, PGDip Surv, BA (Hons) Econ

Company Secretary: Lisa Harmshaw, DiP ICSA, CIS (Affiliated) (appointed November 2019)

Finance Director: Guy Morgan, BSc, FCA (appointed March 2020)

Worth School has its own Senior Leadership Team and details of this can be found separately in Worth School's annual report.

Remuneration for senior staff

Remuneration for the Abbey senior executive team is set by Worth Abbey taking into consideration market pay rates for individuals with similar skills and experience.

The other senior personnel in the Worth Abbey charity are Benedictine Monks, i.e. the Abbot, the Prior and the Sub prior. They do not receive any remuneration for their service or position other than being members of the monastery who are all beneficiaries of Worth Abbey.

The School's key management personnel comprise the Head Master, the Chief Operating Officer and the Second Master. Arrangements are in place for setting the remuneration for these personnel and the Board has taken into consideration benchmark information and market pay for these roles. The Governors also carry out an annual review of all School salaries as part of the budget process.



Staff and volunteers

As a result of the coronavirus pandemic, the lives of all the staff across the Group changed overnight: kitchen tables became places of work, many of our staff navigated work with home-schooling, 'virtual meetings' replaced face-to-face communication and everyone had to adjust to a 'new normal'. Continuity in provision of lessons was a priority for Worth School and their own annual report separately details the measures they put in place. To ensure the safety and wellbeing of Abbey and WAP staff, we set up a 'COVID Response' Team and sent weekly updates on how we were monitoring the impacts of COVID-19 (inc. risk assessments), along with advice on wellbeing and home working. We also invested in a new employee assistance programme (Health Assured), provided laptops to or moved PC's to employee's homes for those who were able to continue their jobs working from home and instigated weekly 'catch up's with those of our staff who had to be furloughed. Between April 2020 and August 2020 the Abbey furloughed a varying number of its staff, depending on essential business need.

Taking into account the financial pressures of the coronavirus pandemic, there were no annual salary increases given to any staff in Worth Abbey or Worth Abbey Projects Limited during the reporting period.

All planned Worth Abbey recruitment was put on hold due to the financial implications of coronavirus, but this is something we hope to move forward once the pandemic has passed. We remain committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, religion, sexual orientation, age, employment status, disability or marital status.

The Abbot of Worth and Monastic Community express their heartfelt thanks to each and every one of Worth's staff, Trustees, Governors and volunteers for all they have done during this challenging year.

Safeguarding

The trustees understand their responsibility for the safeguarding of children and adults at risk as a foundational dimension of operating as a charity, as well as a Christian duty mandated by the Catholic Church. They actively engage with the oversight of policy and practice in this regard across the range of the charity's activities, receiving regular safeguarding reports at their meetings, monitoring the operational application of the Abbey's Safeguarding Policy, and where necessary



amending it. A lead Trustee for safeguarding (Br. Anthony Brockman) assists the Trustees in this area, endeavouring to be especially close to safeguarding matters, as well as supporting the work of the charity's Religious Safeguarding Lead. Because operationally Worth Abbey works regularly with groups which include children and the elderly, the Trustees as a body recognise the absolute

Legal structure & governance

necessity of ensuring the protection and safety of all those whom the charity serves, its staff, and volunteers.

Worth Abbey is supported and overseen in the exercise of its safeguarding responsibilities by a number of external agencies. As a Roman Catholic faith organisation, Worth Abbey is aligned with the Safeguarding Commission of the Diocese of Arundel and Brighton, and is supported by the Safeguarding Officer of the Diocese; the charity's safeguarding policies are developed in accord with the guidance of the national Catholic Safeguarding Advisory Service (CSAS) and the National Catholic Safeguarding Commission (NCSC). Worth Abbey works with the West Sussex Safeguarding Children Board, through its designated officer, to ensure a transparent relationship with statutory authorities. Advice received from the Safeguarding Children Board's designated officer is always of great value in front line issues.

Our Safeguarding Partners



Worth Abbey's safeguarding provision is externally audited by the US based *Praesidium* organisation (praesidiuminc.com). The *Praesidium* organisation is a specialist in child protection services with over 20 years' experience of developing a standards-based approach to safeguarding across a range of different organisational contexts. *Praesidium's* methodology is assisting the charity in achieving a consistency of approach across the full range of safeguarding matters. In the course of the year, Worth Abbey began to work with an external specialist in support for abuse survivors, who advises in respect of how best to address the pastoral and other needs of survivors who may approach Worth Abbey, as well as being available to contact and listen to survivors and victims of abuse. Because many of Worth Abbey's activities take place in close geographical proximity to a boarding and day school for children aged 11-18 (Worth School), in safeguarding matters the charity works closely with the safeguarding leads for Worth School, and its safeguarding policies and practices are developed to reflect educational safeguarding requirements when appropriate.

The Trustees have appointed a Religious Safeguarding Lead (RSL, Fr. Mark Barrett) and a Deputy (DRSL, Fr. Gabriel Dobson), who are externally trained to Designated Safeguarding Lead standard (a training that is regularly updated, and fully refreshed every third year). The RSL has day to day responsibility for all aspects of safeguarding across the charity's activities. The RSL and DRSL work closely with a small Safeguarding Core Team, which includes the lead Trustee for safeguarding, the Worth Abbey Chief Executive Officer and the Chair of Trustees. Because of the close working relationship that necessarily exists with the neighbouring Worth School, an Abbey and School Safeguarding Co-ordinating Committee meets termly at Trustee level, as well as there being regular operational co-ordination between Abbey and School safeguarding teams which includes consultation of the safeguarding representative of the Catholic parish that meets for worship on the Abbey site.



Legal structure & governance

GDPR and Data Protection

Worth Abbey is a member of a joint committee (with Worth School) which oversees compliance with GDPR regulations. We are also registered with the Information Commissioner's Office (ICO). During the year Worth Abbey has:

- undertaken a review of its Data Protection and GDPR policy and Privacy Notices and has recognised the need to undertake further gap analysis, embedding and training which will be taken forward in 2020/21;
- undertaken a number of Privacy Impact Assessments (PIA's) particularly in relation to the live streaming of Monastic and Parish Masses and online retreats.

Fundraising

In February 2020, Worth Abbey registered with the Fundraising Regulator. We are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. During the year:



- our fundraising efforts focused on encouraging donations, gifts and legacies via our website;
 - we did not use any professional fundraisers or commercial participators to help us raise funds;
 - the Worth School Development Office raised funds on Worth Abbey's behalf for the Church door refurbishment;
 - we have not received any complaints about our fundraising activity; and
 - we have not incurred any material expenditure as a result of fundraising activity.
-



Statement of Trustees responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare Financial Statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Insofar as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he should have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditors

Crowe U.K. LLP has expressed its willingness to continue in office as auditor and a resolution proposing its reappointment will be submitted to the Chapter.

This Annual Report, prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Issued in January 2015), the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of Worth Abbey on 12 May 2021, including in their capacity as Company Directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



The Right Reverend RL Jolly
Chair of Trustees, Worth Abbey



Opinion

We have audited the financial statements of Worth Abbey for the year ended 31 August 2020 which comprise the statement of financial activities, balance sheet, cashflow statement 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 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within 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:

- the parent company has not kept adequate accounting records; or
- the 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.



Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 27, 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 or the charitable 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 charitable 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.

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 the auditor's report.

Ian Weekes

Senior Statutory Auditor

For and on behalf of **Crowe U.K. LLP**

Statutory Auditor

Riverside House

40-46 High Street

Maidstone, Kent

ME14 1JH

Date:



Consolidated Statement of Financial Activities including an Income & Expenditure Account for the year ended 31 August 2020

	Notes	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total 2020 (£)	Total 2019 (£)
INCOMING RESOURCES						
Voluntary income						
Donations, gifts & legacies		2,727	193,274	87,957	283,958	6,562,031
Charitable activities						
Advancement of religion		308,640	-	-	308,640	319,287
Advancement of education	4	14,608,766	-	-	14,608,766	15,354,825
Activities for raising funds						
Investment income	5a	95,840	-	93,676	189,516	94,725
Courses and lettings		155,578	-	-	155,578	639,884
Other income	5b	760,067	-	4,370	764,437	81,488
TOTAL INCOMING RESOURCES		15,931,618	193,274	186,003	16,310,895	23,052,240
RESOURCES EXPENDED						
Cost of raising funds						
Investment management fees		12,835	-	21,992	34,827	26,771
Courses and lettings		207,549	-	-	207,549	218,879
Other costs		443,935	-	-	443,935	599,323
		664,319	-	21,992	686,311	844,973
Net incoming resources available for charitable application		15,267,299	193,274	164,011	15,624,584	22,207,267
Charitable expenditure:						
Advancement of religion	6b	1,087,324	42,408	4,238	1,133,970	964,521
Advancement of education	6b	14,306,262	38,607	21,397	14,366,266	14,095,552
Outreach Peru	6b	-	-	200,787	200,787	150,115
Other charitable activities	6b	-	-	7,326	7,326	93,743
TOTAL RESOURCES EXPENDED		15,393,586	81,015	233,748	15,708,349	15,303,931
Net incoming resources before transfers and revaluations		(126,287)	112,259	(69,737)	(83,765)	6,903,336
Transfers between funds	15,16	(447,964)	463,999	(16,035)	-	-
Net incoming resources before revaluations		(574,251)	576,258	(85,772)	(83,765)	6,903,336
Realised gain/(loss) on investment assets		(22,217)	-	(3,314)	(25,531)	54,205
NET INCOME/(EXPENDITURE) FOR THE YEAR		(596,468)	576,258	(89,086)	(109,296)	6,957,541
Unrealised gain/(loss) on investments		364,762	-	109,096	473,858	93,948
NET MOVEMENT IN FUNDS INCLUDING NET INCOME FOR THE YEAR		(231,706)	576,258	20,010	364,562	7,051,489
Reserves at 1 September	15,16,17	19,745,489	462,874	8,239,453	28,447,816	21,396,327
RESERVES AT 31 AUGUST	15,16,17	19,513,783	1,039,132	8,259,463	28,812,378	28,447,816

All amounts relate to continuing operations. The notes on pages 35 to 58 form part of these financial statements.



Consolidated Balance Sheet for the year ended 31 August 2020

	Notes	2020 (£)	2019 (£)
FIXED ASSETS			
Tangible fixed assets	7	25,608,889	25,731,030
Investments		4,858,167	4,379,354
		30,467,056	30,110,384
CURRENT ASSETS			
Stock	10		
Debtors	11	148,730	180,441
Cash at bank and in hand		600,895	590,897
		8,634,924	9,772,397
		9,384,549	10,543,735
CREDITORS: amounts falling due within one year	12	(5,827,941)	(6,304,008)
NET CURRENT ASSETS/(LIABILITIES)		3,556,608	4,239,727
TOTAL ASSETS LESS CURRENT LIABILITIES		34,023,664	34,350,111
CREDITORS: amounts falling due after more than one year	13	(5,211,286)	(5,902,295)
TOTAL NET ASSETS		28,812,378	28,447,816
FUNDS			
Restricted funds	15	8,259,463	8,239,452
Designated funds	15	1,039,132	462,875
General funds	16	19,513,783	19,745,489
TOTAL FUNDS	17a	28,812,378	28,447,816

The financial statements were approved and authorised by the Trustees on 12 May 2021, and signed on their behalf by:



The Right Reverend RL Jolly
Trustee



The Reverend P V Fludder
Trustee

The notes on pages 35 to 58 form part of these financial statements.



Charity Balance Sheet for the year ended 31 August 2020

	Notes	2020 (£)	2019 (£)
FIXED ASSETS			
Tangible fixed assets	7	25,280,230	25,467,653
Investments		4,215,301	3,920,023
Investments in subsidiaries	9	1,100	1,100
		29,496,631	29,388,776
CURRENT ASSETS			
Stock	10	61,598	61,994
Debtors	11	778,754	697,485
Cash at bank and in hand		5,844,713	7,924,812
		6,685,065	8,684,291
CREDITORS: amounts falling due within one year	12	(6,044,030)	(7,438,378)
NET CURRENT ASSETS/(LIABILITIES)		641,035	1,245,913
TOTAL ASSETS LESS CURRENT LIABILITIES		30,137,666	30,634,689
CREDITORS: amounts falling due after more than one year	13	(2,739,077)	(3,242,152)
TOTAL NET ASSETS		27,398,589	27,392,537
FUNDS			
Restricted funds	15	7,389,990	7,384,760
Designated funds	15	611,525	462,875
General funds	16	19,397,074	19,544,902
TOTAL FUNDS	17	27,398,589	27,392,537

The financial statements were approved by the Trustees on 12 May 2021 and signed on their behalf by:

The Right Reverend RL Jolly
Trustee

The Reverend P V Fludder
Trustee

The notes on pages 35 to 58 form part of these financial statements.



Consolidated Cash Flow Statement for the year ended 31 August 2020

	Notes	2020 (£)	2019 (£)
RECONCILIATION OF OPERATING RESULT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Changes in resources before transfers and revaluation		(83,765)	6,903,337
Returns on investments and the servicing of finance	18	(108,622)	18,381
Additions fixed assets		-	1,625
Currency translation gain and investment fees		27,469	39,447
		(164,918)	6,962,790
Depreciation		856,467	895,888
Decrease in stock		31,711	22,917
(Increase) in debtors		(9,998)	(51,693)
Increase/(decrease) in creditors		(312,212)	839,918
NET CASH INFLOW FROM OPERATING ACTIVITIES		401,050	8,669,820

CASH FLOW STATEMENT

	Notes	2020 (£)	2019 (£)
Cash flows from operating activities			
Net cash inflow from operating activities		401,050	8,669,820
Returns on investments and the servicing of finance	18a	108,622	(18,381)
Payments to acquire tangible fixed assets		(734,326)	(139,591)
Payments to acquire investments	8	(200,000)	
Draw downs on investments	18b	142,045	239,022
Net cash (outflow)/inflow from investing activities		(683,659)	81,050
Net cash outflow from financing activities	18c	(854,864)	(806,265)
Increase in cash in the year		(1,137,473)	7,944,605
Cash and cash equivalents brought forward		9,772,397	1,827,792
Cash and cash equivalents carried forward		8,634,924	9,772,397

The notes on pages 35 to 58 form part of these financial statements.



1. CHARITY INFORMATION

Worth Abbey is a company limited by guarantee incorporated in England and Wales (company registration number 4475556 and charity number 1093913). The principal activities of the Group are the advancement of the Roman Catholic religion and the advancement of education through the running of an independent school. Its registered address is at: Paddockhurst Road, Turners Hill, Crawley, West Sussex, RH10 4SB.

2. ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (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 has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

Worth Abbey meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated financial statements consolidate the accounts of the charity and its subsidiary undertakings at 31 August 2020. All transactions and balances relate to external transactions only. Under the provisions of the Companies Act 2006 Section 408, the Trustees have taken advantage of the dispensation not to publish the Statement of Financial Activities including an Income and Expenditure Account for Worth Abbey.

In light of the COVID-19 pandemic and its impact on the economy, management has produced forecasts that have also been sensitised to reflect plausible downside scenarios across Worth Abbey Group.

These sensitised forecasts, which have been reviewed by the Trustees, demonstrate that the Group has sufficient cash reserves, investments and committed bank financing arrangements to enable the Group to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees confirm that they continue to adopt the going concern basis for preparing these financial statements.

b) Company Status

The Charity is a company limited by guarantee. The members of the company are the Trustees (as set out on page 21) and such other persons as shall from time to time be members of the Chapter. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.



c) Fund accounting

General funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are unrestricted funds which the trustees have decided at their discretion to set aside for a specific purpose.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in Note 15 to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

d) Income and liability recognition

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other allowances. Interest is accounted for on a receivable basis and dividends on a received basis.

Realised gains are gains resulting from the sale of investments. Unrealised gains represent changes in market value on investments still held at the year end.

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

e) Donations and legacies

Donations and legacies received in cash are accounted for when they are received. In the case of assets received, they are accounted for when full legal title has passed to the Group.

f) Grants

Grants receivable are recognised on receipt.

g) Gifts in kind

The values attributed to gifts in kind are either the amounts actually realised or an estimate of their value. They are recognised as incoming resources when received.

h) Resources expended

All resources expended are accounted for on an accruals basis and are detailed under the following headings:

- **Costs of generating funds:** this includes non-charitable trading activities together with their related support costs.
- **Charitable activities:** this includes that expenditure incurred directly in connection with the objects of the charity and includes the cost of services, management and support costs.
- **Governance costs:** these are costs associated with constitutional and statutory requirements.



Expenditure is summarised under functional headings either on a direct cost basis or, for overhead costs, apportioned according to management estimates of expenditure incurred. The irrecoverable element of VAT is included with the item of expense to which it relates.

i) Fixed assets

The Abbey's land and buildings are carried at historical cost (including the cost of subsequent additions), less depreciation charged to date. Recapitalisation of buildings begins when planning permission is granted and depreciated from when it first begins to be used. General repairs and maintenance expenditure is written off in the year to which it relates.

Where the Trustees recognise that there has been a significant fall in the carrying value of one of their assets this is treated as an impairment and written off to the Statement of Financial Activities.

Woodlands are professionally valued periodically in accordance with FRS102 and no depreciation is charged. The last valuation was in August 2020.

j) Capitalisation and depreciation

Items costing less than £2,500 are written off as an expense as acquired.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic life as follows:

Motor vehicles	4 years
Computer equipment	4 years
Plant and machinery	between 2 and 10 years
Fixtures and fittings	5 years
Freehold property	50 years

k) Investment assets

Investments are stated at market value other than works of art which are held at cost. Market value is taken to be the middle market price ruling at the balance sheet date.

l) Stock

Stocks are valued at the lower of cost and net realisable value. Livestock are measured at their fair value less sale costs. The fair value of livestock is determined based on market prices of livestock of similar age, breed and genetic merit.

m) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Known bad debts are written off and a provision is made for any considered to be doubtful.

n) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.



o) Liabilities and provisions

Liabilities 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. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Fees received in advance are carried forward for credit in the period to which they relate.

p) Financial instruments

The charity mainly enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

q) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date and any gain or loss arising from a change in exchange rates is included as a gain or loss on investment assets in the Statement of Financial Activities.

r) Pensions

The pension costs charged in the financial statements represent the contributions payable by the charity and group during the year.

Worth School contributes to the Teachers' Pension Defined Benefits Scheme ("TPS"). The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The Abbey and School also contribute to a Group Personal Pension Plan for non-teaching staff who have more than 3 months service, at 8% of annual basic pay, and these costs are recognised on an accruals basis.



s) **Operating leases**

The rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

t) **Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives.

Assets acquired by hire purchase are depreciated over their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

u) **Acceptance Deposits**

When a pupil is accepted into the School, parents are required to pay an Acceptance Deposit which is refunded, without interest, after the pupil leaves the School. Acceptance deposits due for return in more than one year are treated as part of net debt.

v) **Fee prepayments**

Fee prepayments are included within creditors and aged according to the expected year of release assuming that the pupil remains in the School.

w) **Financial assets at fair value through profit and loss**

The charity has an interest rate cap arrangement with its bank. This is not a basic financial instrument. This arrangement was initially recognised at fair value on the date the contract was entered into and has subsequently been re-measured at its fair value. Changes in the fair value are recognised in profit or loss in finance costs or income as appropriate.

x) **Critical accounting estimates and areas of judgement**

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- i. **Tangible fixed assets:** the Trustees annually assess the residual value of these assets, that they are still in use and their expected useful life based on experience.
- ii. **Recoverability of trade debtors:** the Trustees annually assess whether a bad debt provision is required for any bad or doubtful debtor balances.
- iii. **Stock provisions:** the Trustees regularly assess the age and quality of stock and will make necessary provisions based on the net realisable value of the stock held.



Notes to the Financial Statements

3. INCOME & EXPENDITURE YEAR ENDED 31 AUGUST 2020

	Notes	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total 2020 (£)
INCOMING RESOURCES					
Voluntary income					
Donations, gifts & legacies		25,611	12,000	6,524,420	6,562,031
Charitable activities					
Advancement of religion		319,287	-	-	319,287
Advancement of education	4	15,354,825	-	-	15,354,825
Activities for raising funds					
Investment income	5	81,278	-	13,447	94,725
Courses and lettings		639,884	-	-	639,884
Other income		81,488	-	-	81,488
TOTAL INCOMING RESOURCES		16,502,373	12,000	6,537,867	23,052,240
RESOURCES EXPENDED					
Cost of raising funds					
Investment management fees		-	12,000	14,771	26,771
Courses and lettings		218,879	-	-	218,879
Other costs		599,323	-	-	599,323
		818,202	12,000	14,771	844,973
Net incoming resources available for charitable application		15,684,171	0	6,523,096	22,207,267
Charitable expenditure:					
Advancement of religion	6b	964,521	-	-	964,521
Advancement of education	6b	14,055,364	-	40,188	14,095,552
Outreach Peru	6b	-	-	150,115	150,115
Other charitable activities	6b	-	56,916	36,827	93,743
TOTAL RESOURCES EXPENDED		15,019,885	56,916	227,130	15,303,931
Net incoming resources before transfers and revaluations		664,286	(56,916)	6,295,966	6,903,336
Transfers between funds	15,16	1,250	-	(1,250)	-
Net incoming resources before revaluations		665,536	(56,916)	6,294,716	6,903,336
Realised gain/(loss) on investment assets		-	-	54,205	54,205
NET INCOME/(LOSS) FOR THE YEAR		665,536	(56,916)	6,348,921	6,957,541
Unrealised gain on investment assets:		50,948	-	43,000	93,948
NET MOVEMENT IN FUNDS INCLUDING NET INCOME FOR THE YEAR		716,484	(56,916)	6,391,921	7,051,489
Reserves at 1 September	15,16,17	19,029,005	519,790	1,847,532	21,396,327
RESERVES AT 31 AUGUST	15,16,17	19,745,489	462,874	8,239,453	28,447,816



Notes to the Financial Statements

4. ADVANCEMENT OF EDUCATION

	2020 (£)	2019 (£)
Fee income for the year	17,160,067	16,451,050
Release of fee prepayments	598,017	627,064
Extras	489,867	411,139
Entrance fees	62,482	67,783
	<u>18,310,433</u>	<u>17,557,036</u>
LESS:		
Allowances and remissions:		
Scholarships granted	1,352,423	1,150,095
Bursaries and other remissions	2,349,244	1,052,116
	<u>3,701,667</u>	<u>2,202,211</u>
	<u>14,608,766</u>	<u>15,534,825</u>

5A. INVESTMENT INCOME

	2020 (£)	2019 (£)
Investment income from listed securities – general funds	95,840	81,278
Investment income from listed securities – restricted funds	21,996	11,974
Interest receivable	71,680	1,473
	<u>189,516</u>	<u>94,725</u>

5B. OTHER INCOME

	2020 (£)	2019 (£)
Furlough grants received	667,666	-
Government grants	36,581	11,230
Other income	60,190	70,258
	<u>764,437</u>	<u>81,488</u>

6. RESOURCES EXPENDED

	2020 (£)	2019 (£)
Employment costs include:		
Wages and salaries	7,770,650	7,768,103
Social security costs	748,295	742,481
Pension contributions	1,173,542	887,183
	<u>9,692,487</u>	<u>9,397,767</u>

The average number of employees in the year was:	2020 Number	2019 Number
Teaching & teaching support	106	108
Welfare	55	52
Premises	45	43
Management, administration & fundraising	65	67
	<u>271</u>	<u>270</u>



Notes to the Financial Statements

The number of employees whose emoluments exceeded £60,000 was:	2020 Number	2019 Number
£60,000 - £70,000	20	17
£70,001 - £80,000	9	3
£80,001 - £90,000	4	3
£90,001 - £100,000	3	1
£100,001 - £110,000	2	2
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£130,001 - £150,000	1	-
£150,001 - £160,000	-	-
£160,001 - £170,000	-	1

Thirty three of the above employees were members of defined benefit pension schemes. Total pension contributions payable for these employees amounted to £455,239 (2019: 25 employees, £304,379) in the year.

Seven of the above were members of a defined contribution pension scheme. Total pension contributions payable for these employees amounted to £31,850 (2019: 2 employees, £15,620) in the year.

The key management personnel received total remuneration for the year of £540,900 (2019: £562,327).

6b. EXPENDITURE – Analysis of Total Resources Expended

	Staff costs (£)	Other (£)	Depreciation (£)	Total 2020 (£)	2019 (£)
Costs of generating funds					
Courses and lettings	99,785	90,918	16,846	207,549	218,879
Other	176,228	266,403	1,304	443,935	599,323
Investment Management Fees	-	34,827	-	34,827	26,771
	276,013	392,148	18,150	686,311	844,973
Charitable activities					
Advancement of religion	403,013	560,726	170,231	1,133,970	964,521
Advancement of education	9,142,972	4,555,208	668,086	14,366,266	14,095,552
Outreach Peru	12,014	188,773	-	200,787	150,115
Other charitable activities	-	7,326	-	7,326	93,743
	9,557,999	5,312,033	838,317	15,708,349	15,303,931



Notes to the Financial Statements

PRIOR YEAR EXPENDITURE – Analysis of Total Resources Expended

	Staff costs (£)	Other (£)	Depreciation (£)	Total 2019 (£)
Costs of generating funds				
Courses and lettings	12,216	180,108	26,555	218,879
Other	228,778	369,616	929	599,323
Investment Management Fees	-	26,771	-	26,771
	240,994	576,495	27,484	844,973
Charitable activities				
Advancement of religion	39,141	644,081	281,299	964,521
Advancement of education	9,105,878	4,402,570	587,104	14,095,552
Outreach Peru	11,754	138,361	-	150,115
Other charitable activities	-	93,743	-	93,743
	9,156,773	5,278,755	868,403	15,303,931

6c. EXPENDITURE – Other disclosures

	2020 (£)	2019 (£)
Consolidated costs include:		
Auditors' remuneration:		
For audit	23,145	30,119
For professional advice	-	7,304
Interest payable	80,894	113,106
Operating leases – other	305,379	106,534
Depreciation of tangible fixed assets:		
owned by the charitable company and its subsidiaries	828,894	895,888
Loss on revaluation of interest rate cap	-	4,505
Management review of fixed assets	-	1,625
Foreign exchange (gains) and losses	25,531	(54,205)
<u>Costs of an unusual or exceptional nature:</u>		
Costs associated with providing evidence for the Independent Inquiry into Child Sexual Abuse	(11,332)	98,094
Future relationship costs	182,726	-
10 Year plan	80,192	-
	251,586	98,094



Notes to the Financial Statements

7. TANGIBLE FIXED ASSETS

CONSOLIDATED

	Freehold Property (£)	Motor Vehicles (£)	Plant and Machinery (£)	Fixture and fittings (£)	Computer Equipment (£)	Sports Equipment (£)	Assets under construction (£)	Total (£)
Cost								
At 1 September 2019	34,867,762	255,043	2,056,284	165,348	518,415	60,318	-	37,923,170
Additions	-	-	10,785	114,619	-	54,297	554,625	734,326
Disposals	-	-	(27,572)					(27,572)
At 31 August 2020	34,867,762	255,043	2,039,497	279,967	518,415	114,615	554,625	38,629,924
Depreciation								
At 1 September 2019	9,468,904	175,865	1,946,307	50,439	500,020	50,605	-	12,192,140
Charge for the year	697,323	29,895	70,932	33,070	10,578	14,669	-	856,467
Disposals	-	-	(27,752)	-	-	-		(27,572)
At 31 August 2020	10,166,227	205,760	1,989,667	83,509	510,598	65,274	-	13,021,035
Net book value								
At 31 August 2020	24,701,535	49,283	49,830	196,458	7,817	49,341	554,625	25,608,889
<i>At 1 September 2019</i>	<i>25,398,858</i>	<i>79,178</i>	<i>109,977</i>	<i>114,909</i>	<i>18,395</i>	<i>9,713</i>	<i>-</i>	<i>25,731,030</i>



Notes to the Financial Statements

PRIOR YEAR CONSOLIDATED

	Freehold Property (£)	Motor Vehicles (£)	Plant and Machinery (£)	Fixtures and fittings (£)	Computer equipment (£)	Sports equipment (£)	Total (£)
Cost							
At 1 September 2018	34,869,387	167,859	2,016,827	165,348	517,336	48,448	37,785,205
Additions	(1,625)	87,184	39,457	-	1,079	11,870	137,965
At 31 August 2019	<u>34,867,762</u>	<u>255,043</u>	<u>2,056,284</u>	<u>165,348</u>	<u>518,415</u>	<u>60,318</u>	<u>37,923,170</u>
Depreciation							
At 1 September 2018	8,771,517	154,687	1,818,133	17,370	486,098	48,447	11,296,252
Charge for the year	697,387	21,178	128,174	33,069	13,922	2,158	895,888
At 31 August 2019	<u>9,468,904</u>	<u>175,865</u>	<u>1,946,307</u>	<u>50,439</u>	<u>500,020</u>	<u>50,605</u>	<u>12,192,140</u>
Net book value							
At 31 August 2019	<u>25,398,858</u>	<u>79,178</u>	<u>109,977</u>	<u>114,909</u>	<u>18,395</u>	<u>9,713</u>	<u>25,731,030</u>
<i>At 1 September 2018</i>	<u>26,097,870</u>	<u>13,172</u>	<u>198,694</u>	<u>149,978</u>	<u>31,238</u>	<u>1</u>	<u>26,488,953</u>

The (£1,625) in freehold property additions relates to a credit note issued post year end.



Notes to the Financial Statements

CHARITY

	Freehold Property (£)	Motor Vehicles (£)	Plant and machinery (£)	Assets under Construction (£)	Total (£)
Cost					
At 1 September 2019	34,867,762	76,118	995,897	-	35,939,777
Additions	-	-	-	541,175	541,175
Disposals	-	-	(27,572)	-	(27,572)
At 31 August 2020	34,867,762	76,118	968,325	541,175	36,453,380
Depreciation					
At 1 September 2019	9,468,904	67,694	935,527	-	10,472,125
Charge for the year	697,323	4,415	26,859	-	728,597
Disposals	-	-	(27,572)	-	(27,572)
At 31 August 2020	10,166,227	72,109	934,814	-	11,173,150
Net book value					
At 31 August 2020	24,701,535	4,009	33,511	541,175	25,280,230
<i>At 1 September 2019</i>	<i>25,398,859</i>	<i>8,424</i>	<i>60,370</i>	<i>-</i>	<i>25,467,653</i>

PRIOR YEAR CHARITY

	Freehold Property (£)	Motor Vehicles (£)	Plant and machinery (£)	Total (£)
Cost				
At 1 September 2018	34,869,387	76,118	964,324	35,909,829
Additions	(1,625)	-	31,573	29,948
At 31 August 2019	34,867,762	76,118	995,897	35,939,777
Depreciation				
At 1 September 2018	8,771,517	62,945	857,343	9,691,805
Charge for the year	697,387	4,749	78,184	780,320
At 31 August 2019	9,468,904	67,694	935,527	10,472,125
Net book value				
At 31 August 2019	25,398,859	8,424	60,370	25,467,653
<i>At 1 September 2018</i>	<i>26,097,871</i>	<i>13,173</i>	<i>106,981</i>	<i>26,218,025</i>

The £(1,625) in freehold property additions relates to a credit note issued post year end.



8. INVESTMENTS CONSOLIDATED

	Works of Art (£)	Woodlands (£) Market value	Listed Investments General & Designated (£) Market value	Restricted (£) Market value	Total (£)
At 1 September 2019	41,000	173,317	2,602,384	1,562,653	4,379,354
Additions to investments				200,000	200,000
Management Fees	-	-	(12,835)	(12,037)	(24,872)
Foreign exchange					
Gains/(losses)	-	-	-	(28,129)	(28,129)
Draw down on investments			-	(142,044)	(142,044)
Unrealised investment					
Gains/(losses)	-	390,874	(26,112)	109,096	437,858
Market value at 31 August 2020	41,000	564,191	2,563,437	1,689,539	4,858,167
Historical cost to the charity	41,000	67,463	1,556,270	1,225,378	2,690,111

PRIOR YEAR INVESTMENTS CONSOLIDATED

	Works of Art (£)	Woodlands (£) Market value	Listed Investments General & Designated (£) Market value	Restricted (£) Market value	Total (£)
At 1 September 2018	41,000	173,317	2,563,437	1,731,919	4,509,673
Additions to investments				50,000	50,000
Management Fees	-	-	(12,000)	(14,771)	(26,771)
Foreign exchange					
Gains/(losses)	-	-	-	50,547	50,547
Draw down on investments				(298,042)	(298,042)
Unrealised investment					
Gains/(losses)	-	-	50,947	43,000	93,947
Market value at 31 August 2019	41,000	173,317	2,602,384	1,562,653	4,379,354
Historical cost to the charity	41,000	67,463	1,556,270	1,025,378	2,690,111



Notes to the Financial Statements

INVESTMENTS CHARITY

	Works of Art (£)	Woodlands (£) Market value	General & Designated (£) Market value	Listed Investments Restricted (£) Market value	Total (£)
At 1 September 2019	41,000	173,317	2,602,384	1,103,322	3,920,023
Management Fees	-	-	(12,835)	(9,146)	(21,981)
Foreign exchange					
Gains/(losses)	-	-	-	(28,129)	(28,129)
Draw down on investments				(142,044)	(142,044)
Unrealised investment					
Gains/(losses)	-	390,874	(26,113)	122,671	487,432
Market value at 31 August 2020	41,000	564,191	2,563,436	1,046,674	4,215,301

PRIOR YEAR INVESTMENTS CHARITY

	Works of Art (£)	Woodlands (£) Market value	General & Designated (£) Market value	Listed Investments Restricted (£) Market value	Total (£)
At 1 September 2018	41,000	173,317	2,563,437	1,731,919	4,509,673
Management Fees	-	-	(12,000)	(11,771)	(23,771)
Foreign exchange					
Gains/(losses)	-	-	-	50,547	50,547
Draw down on investments				(698,355)	(698,355)
Unrealised investment					
Gains/(losses)	-	-	50,947	30,982	81,929
Market value at 31 August 2019	41,000	173,317	2,602,384	1,103,322	3,920,023

9. INVESTMENT IN SUBSIDIARIES

	Shares in Subsidiaries (£)
Cost at 1 September 2019 and 31 August 2020	1,100

During the year, Worth Abbey was the sole member of Worth School, a company limited by guarantee, whose total incoming resources were £15,301,032 (2019: £15,497,190).



Notes to the Financial Statements

The company also has the following subsidiary undertakings:

	Class of shares held	% of shares held	Turnover & expenditure (£)	Nature of business	Aggregate of capital and reserves at 31 August 2020 (£)
Worth Abbey Construction Ltd	Ordinary	100%	12,120	Planning and building contractors	1,000
Worth Abbey Projects Ltd	Ordinary	100%	235,990	General commercial company	(108,847)

Details of how the above activities relate to those of the charity are outlined in the Trustees Report. Separate financial statements have been produced for each of the above companies whose results have been incorporated into these consolidated financial statements.

10. STOCK

	Consolidated 2020 (£)	Charity 2020 (£)	Consolidated 2019 (£)	Charity 2019 (£)
Livestock	5,675	-	17,350	-
General stores	143,055	61,598	163,091	61,994
	<u>148,730</u>	<u>61,598</u>	<u>180,441</u>	<u>61,994</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

11. DEBTORS

	Consolidated 2020 (£)	Charity 2020 (£)	Consolidated 2019 (£)	Charity 2019 (£)
School fees and extras less bad debt provision	178,601	-	131,552	-
VAT	-	-	2,691	149
Other debtors	123,888	407	34,046	7,049
Amounts owed by group undertakings	-	730,488	-	656,490
Interest rate cap financial asset	-	-	445	445
Prepayments and accrued				
Income	298,406	47,859	422,163	30,532
	<u>600,895</u>	<u>778,754</u>	<u>590,897</u>	<u>697,485</u>

Monies owed by Worth Abbey Construction are recoverable on demand and lent at commercial rates of interest.

Monies owed by Worth Abbey Projects are recoverable on demand and are interest free.



12. CREDITORS: amounts falling due within one year

	Consolidated	Charity	<i>Consolidated</i>	<i>Charity</i>
	2020	2020	<i>2019</i>	<i>2019</i>
	(£)	(£)	<i>(£)</i>	<i>(£)</i>
Bank loans and overdraft	492,149	492,149	<i>828,497</i>	<i>828,497</i>
Fee prepayments (note 14)	606,821	-	<i>582,037</i>	-
Acceptance deposits (note 14)	515,613	-	<i>589,381</i>	-
School fees and extras received in advance	2,389,336	-	<i>2,958,087</i>	-
Trade creditors	497,742	37,037	<i>223,303</i>	<i>113,040</i>
Amounts owed to Group Undertakings	-	5,425,060	-	<i>6,314,990</i>
Other taxes and social security costs	197,517	29,398	<i>197,417</i>	<i>14,144</i>
Clubs and societies	2,659	-	<i>7,386</i>	-
Other creditors	242,072	-	<i>220,011</i>	<i>7,259</i>
VAT	2,974	1,080	-	-
Accruals and deferred income	881,058	59,306	<i>697,889</i>	<i>160,448</i>
	<u>5,827,941</u>	<u>6,044,030</u>	<i><u>6,304,008</u></i>	<i><u>7,438,378</u></i>

Included in consolidated other creditors are outstanding pension contributions of £118,110 (2019: £113,582).

Amounts owed to Worth Abbey School are interest free and repayable on demand

13. CREDITORS: amounts falling due after more than one year

	Consolidated	Charity	<i>Consolidated</i>	<i>Charity</i>
	2020	2020	<i>2019</i>	<i>2019</i>
	(£)	(£)	<i>(£)</i>	<i>(£)</i>
Bank loan and overdraft	2,739,077	2,739,077	<i>3,242,151</i>	<i>3,242,152</i>
Fee prepayments (note 14)	402,586	-	<i>575,080</i>	-
Acceptance deposits	2,069,623	-	<i>2,085,064</i>	-
	<u>5,211,286</u>	<u>2,739,077</u>	<i><u>5,902,295</u></i>	<i><u>3,242,152</u></i>

The Abbey had an overdraft facility at year end of £1.5 million which bears interest at base rate plus 2% and is subject to annual review. The Abbey was not utilising this facility at year end.

The Abbey also has two long term loans which are under repayment. One loan bears interest at base rate plus 1.5%. This loan is due to be repaid in December 2024 and the outstanding balance at year end was £1.0 million. The second loan bears interest at base rate plus 1.95% and is due to be repaid in March 2030. The outstanding balance on this loan at year end was £2.3 million. A third loan was settled in August 2020

Worth Abbey has an interest rate cap agreement with HSBC which will reduce the amount of interest it has to pay should base rate rise above 2%. This cap lasts until February 2021.



Notes to the Financial Statements

14. PARENTS' DEPOSITS AND FEE PREPAYMENTS

	2020 (£)	2019 (£)
Fee prepayments	1,009,407	1,157,117
Less: amount to be released within one year	<u>(606,821)</u>	<u>(582,037)</u>
On account of fees falling due after more than one year	402,586	575,080
Acceptance deposits	2,585,236	2,674,444
Less amounts due to be repaid in September	<u>(515,613)</u>	<u>(589,380)</u>
Acceptance deposits and fee prepayments falling due after more than one year at 31 August	<u>2,472,209</u>	<u>2,660,144</u>

Fee prepayments on account of fees falling due after more than one year are aged on the assumption that the pupil remains in the school until the prepayment is exhausted.

15. RESTRICTED & DESIGNATED FUNDS

The restricted & designated funds of the Group and the unexpended balances are as follows:

	At 1 September 2019 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2020 (£)
<u>Restricted Funds</u>						
Bursary Fund	798,785	46,724	(2,891)	(13,574)	(12,285)	816,759
Annual Fund	43,755	21,954	(21,396)	-	(3,750)	40,563
Sports Facilities	12,151	-	-	-	-	12,151
Outreach Peru	1,130,844	29,043	(209,934)	119,356	-	1,069,309
6 th Form Centre	6,243,496	71,680	(9,955)	-	-	6,305,221
Other funds	10,421	16,603	(11,564)	-	-	15,460
Total	<u>8,239,452</u>	<u>186,004</u>	<u>(255,740)</u>	<u>105,782</u>	<u>(16,035)</u>	<u>8,259,463</u>
<u>Designated Funds</u>						
Hardship fund	-	38,607	(38,607)	-	208,607	208,607
Maintenance fund	-	-	-	-	219,000	219,000
Church fund	462,874	111,681	-	-	36,392	610,947
Brighton project	-	42,986	(42,408)	-	-	578
Total	<u>462,874</u>	<u>193,274</u>	<u>(81,015)</u>	<u>-</u>	<u>463,999</u>	<u>1,039,132</u>



Notes to the Financial Statements

The restricted and designated funds of the charity and the unexpended balances are as follows:

	At 1 September 2019 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2020 (£)
<u>Restricted funds</u>						
Outreach Peru	1,130,844	29,043	(209,934)	119,356	-	1,069,309
6 th Form Centre	6,243,496	71,680	(9,955)	-	-	6,305,221
Other funds	10,420	3	(11,564)			15,460
Total	<u>7,384,760</u>	<u>117,326</u>	<u>(231,453)</u>	<u>119,356</u>		<u>7,389,990</u>
<u>Designated Funds</u>						
Church fund	462,874	111,681	-	-	36,392	610,947
Brighton project	-	42,986	(42,408)	-	-	578
Charity	<u>462,874</u>	<u>154,667</u>	<u>(42,408)</u>	<u>-</u>	<u>36,392</u>	<u>611,525</u>

PRIOR YEAR RESTRICTED AND DESIGNATED FUNDS

The 2019 restricted and designated funds of the Group and the unexpended balances are as follows:

	At 1 September 2018 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2019 (£)
<u>Restricted Funds</u>						
Bursary Fund	618,391	167,898	(1,100)	12,019	1,577	798,785
Annual Fund	-	78,255	(33,250)	-	(1,250)	43,755
Sports Facilities	18,488	2,501	(8,838)	-	-	12,151
Outreach Peru	1,178,548	28,995	(161,885)	85,186	-	1,130,844
6 th Form Centre	-	6,257,935	(14,439)	-	-	6,243,496
Other funds	32,105	706	(20,813)	-	(1,577)	10,421
Total	<u>1,847,532</u>	<u>6,536,290</u>	<u>(240,325)</u>	<u>97,205</u>	<u>(1,250)</u>	<u>8,239,452</u>
<u>Designated Funds</u>						
Church fund	507,790	12,000	(56,916)	-	-	462,874
Total	<u>507,790</u>	<u>12,000</u>	<u>(56,916)</u>	<u>-</u>	<u>-</u>	<u>462,874</u>

The 2019 restricted & designated funds of the charity and the unexpended balances are as follows:

	At 1 September 2018 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2019 (£)
<u>Restricted funds</u>						
Outreach Peru	1,178,548	28,995	(161,885)	85,186	-	1,130,844
6 th Form Centre	-	6,257,935	(14,439)	-	-	6,243,496
Other funds	32,104	706	(22,390)	-	-	10,420
Total	<u>1,210,653</u>	<u>6,287,636</u>	<u>(198,714)</u>	<u>85,186</u>	<u>-</u>	<u>7,384,760</u>
<u>Designated Funds</u>						
Church fund	507,790	12,000	(56,916)	-	-	462,874
Charity	<u>507,790</u>	<u>12,000</u>	<u>(56,916)</u>	<u>-</u>	<u>-</u>	<u>462,874</u>



Notes to the Financial Statements

- **Bursary Fund:** The Bursary Fund was established with a donation received for the express purpose of providing Worth School bursaries. The Fund is represented by investments and cash deposits.
- **Outreach Peru:** This Fund was established through legacies and the donations, covenants and fundraising receipts of Outreach Peru and under its previous name, the Friends of Peru. It is used to make grants for the relief of poverty and the improvement of educational and healthcare facilities through institutions in Peru.
- **Sports facilities:** This Fund, managed by the Trustees of Worth School, was established to assist with funding for new sports facilities for Worth School including a 3G pitch.
- **Annual Fund:** The Annual Fund was set up to provide curriculum-enhancing resources across the school.
- **Sixth Form Centre:** An alumnus of the school donated £6.25 million to Worth Abbey for the purpose of building and fitting out a new Sixth Form Centre for Worth School. This generous donation will be transformational for the school in years to come. Plans for the Centre were approved during the year and construction started in September 2020.
- **Hardship fund:** The Hardship Fund was established during 2019-2020 to assist families who were economically affected by COVID-19.
- **Maintenance Fund:** This fund was established during 2019-2020 to provide funding for essential maintenance that needs to take place in the School.
- **Church Fund:** The church fund was established in 2016-2017 to cover improvements and furniture for the Church.

16. GENERAL FUNDS

The general funds of the group and the unexpended balances are as follows:

CONSOLIDATED

	At 1 September 2019 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2020 (£)
General fund	19,745,489	16,747,774	(16,874,061)	342,545	(447,964)	19,513,783

PRIOR YEAR CONSOLIDATED

	At 1 September 2018 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2019 (£)
General fund	19,041,004	17,973,571	(17,321,284)	50,948	1,250	19,745,849



Notes to the Financial Statements

Transfers on reserves amounting to £1,250 from restricted to unrestricted funds are set out in the table above representing the depreciation on a coffee van purchased in part with a donation made to the restricted funds in Worth School.

The general funds of the charity and the unexpended balances are as follows:

CHARITY

	At 1 September 2019 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2020 (£)
General fund	19,544,902	1,291,716	(1,745,697)	342,545	(36,392)	19,397,074

PRIOR YEAR CHARITY

	At 1 September 2018 (£)	Incoming resources (£)	Resources expended (£)	Investment and foreign currency gain/(loss) (£)	Transfers (£)	At 31 August 2019 (£)
General fund	19,041,004	2,182,062	(1,729,112)	50,948	-	19,544,902

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

A) CONSOLIDATED AS AT 31 AUGUST 2020

	Tangible fixed assets (£)	Investments (£)	Net current assets/ (liabilities) (£)	Long term liabilities (£)	Total (£)
<u>Restricted Funds</u>					
Bursary Fund	-	642,865	173,894	-	816,759
Outreach Peru	-	1,216,847	(147,538)	-	1,069,309
6 th Form Centre	541,176	-	5,764,045	-	6,305,221
Sports facilities	-	-	12,151	-	12,151
Other restricted funds	-	-	56,023	-	56,023
	<u>541,176</u>	<u>1,859,712</u>	<u>5,858,575</u>	-	<u>8,259,463</u>
<u>Designated funds</u>					
Hardship fund	-	-	208,607	-	208,607
Maintenance fund	-	-	219,000	-	219,000
Church fund	-	-	610,947	-	610,947
Brighton Project	-	-	578	-	578
			<u>1,039,132</u>		<u>1,039,132</u>
<u>General funds</u>	<u>25,067,713</u>	<u>2,998,455</u>	<u>(3,341,099)</u>	<u>(5,211,286)</u>	<u>19,513,783</u>
Total reserves	<u>25,608,889</u>	<u>4,858,167</u>	<u>3,556,608</u>	<u>(5,211,286)</u>	<u>28,812,378</u>



Notes to the Financial Statements

AS AT 31 AUGUST 2019

	Tangible fixed assets (£)	Investments (£)	Net current assets/ (liabilities) (£)	Long term liabilities (£)	Total (£)
<u>Restricted Funds</u>					
Bursary Fund	-	459,331	339,453	-	798,784
Outreach Peru	-	1,103,322	27,521	-	1,130,844
6 th Form Centre	-	-	6,243,496	-	6,243,496
Sports facilities	-	-	12,151	-	12,151
Other restricted funds	-	-	54,178	-	54,178
	-	1,562,654	6,676,799	-	8,239,453
<u>Designated Funds</u>					
Church fund	-	-	462,874	-	462,874
<u>General funds</u>	25,731,030	2,816,700	(2,899,946)	(5,902,295)	19,475,489
Total reserves	25,731,030	4,379,354	4,239,727	(5,902,295)	28,447,816

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

B) CHARITY AS AT 31 AUGUST 2020

	Tangible fixed assets (£)	Investments (£)	Net current assets/ (liabilities) (£)	Long term liabilities (£)	Total (£)
<u>Restricted Funds</u>					
6 th Form Centre	541,176	-	5,764,045	-	6,305,221
Outreach Peru	-	1,216,847	(147,537)	-	1,069,310
Other restricted funds	-	-	15,459	-	15,459
	541,176	1,216,847	5,631,967	-	7,389,990
<u>Designated Funds</u>					
Church fund	-	-	610,947	-	610,947
Brighton Project	-	-	578	-	578
<u>General Funds</u>	24,739,054	3,168,628	(5,771,532)	(2,739,076)	19,397,074
Total reserves	25,280,230	4,385,475	471,960	(2,739,076)	27,398,589



Notes to the Financial Statements

AS AT 31 AUGUST 2019

	Tangible fixed assets (£)	Investments (£)	Net current assets/ (liabilities) (£)	Long term liabilities (£)	Total (£)
Restricted Funds					
6 th Form Centre			6,243,496		6,243,496
Outreach Peru	-	1,103,322	27,521	-	1,130,843
Other restricted funds	-	-	10,421	-	10,421
	-	1,103,322	6,281,438	-	7,384,760
Designated funds					
Church funds	-	-	462,874	-	462,874
General funds	25,467,653	2,817,800	(5,498,398)	(3,242,152)	19,544,903
Total reserves	25,467,653	3,921,122	1,245,914	(3,242,152)	27,392,537

18. ANALYSIS OF CASH FLOWS

a) Returns on investments and the servicing of finance	2020 (£)	2019 (£)
Investment income Note 5a	117,836	93,252
Interest received Note 5a	71,680	1,473
Interest paid Note 6c	(80,894)	(113,106)
Net cash inflow/(outflow)	108,622	(18,381)

b) Investments

During the year, £142,045 was drawn down from the investments designated for Outreach Peru and used to meet the expenditure of that fund (2019: £161,886).

c) Financing	2020 (£)	2019 (£)
Decrease/(Increase) in parents' acceptance deposits	15,439	(10,334)
Decrease in loans	839,425	816,599
Net cash outflow	854,864	806,265

19. ANALYSIS OF CHANGES IN NET DEBT

	At 31 August 2019 (£)	Cash flow (£)	At 31 August 2020 (£)
Cash in hand and at bank	9,772,397	(1,137,473)	8,634,924
Loans due in less than one year	(828,497)	336,348	(492,149)
Loans due after one year	(3,242,151)	503,074	(2,739,077)
Parents' acceptance deposits	(2,085,064)	15,441	(2,069,623)
Net Debt	3,616,685	(282,610)	3,334,075



Notes to the Financial Statements

PRIOR YEAR

	At 31 August 2018 (£)	Cash flow (£)	At 31 August 2019 (£)
Cash in hand and at bank	1,827,792	7,944,605	9,772,397
Loans due in less than one year	(829,783)	1,286	(828,497)
Loans due after one year	(4,057,465)	815,314	(3,242,151)
Parents' acceptance deposits	(2,074,729)	(10,335)	(2,085,064)
Net Debt	(5,134,185)	8,750,870	3,616,685

20. CAPITAL COMMITMENTS

At the year end the Group had no capital commitments (2019: £nil). Subsequent to year end a contract was entered into with W Stirland Ltd to build the 6th Form Centre. The value of the contract (inclusive of VAT) is £5.2 million.

21. OPERATING LEASE COMMITMENTS

Commitments under operating leases to make payments in the following year are analysed below by the expiry date of the leases concerned.

	Other operating leases	
	2020 (£)	2019 (£)
Under 1 year	110,692	5,663
Between 2 and 5 years	194,687	100,342
	305,379	106,005

22. FINANCIAL INSTRUMENTS

	Consolidated 2020 (£)	Charity 2020 (£)	Consolidated 2019 (£)	Charity 2019 (£)
Financial assets measured at fair value	-	-	445	445
Financial assets measured at amortised cost	8,758,812	5,845,120	9,809,133	7,932,011
Financial liabilities measured at amortised cost	(11,039,227)	(3,358,046)	(12,206,303)	(4,365,540)

Financial assets measured at fair value through profit and loss consist of interest rate swap assets. Financial assets measured at amortised cost comprise cash at bank, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors and accruals.

23. RELATED PARTY TRANSACTIONS

Neither the Trustees nor persons connected with them received any remuneration from the Abbey. The Trustees do however, in common with all other members of Worth Abbey's Monastic Community, receive benefits in kind in the form of payment by the Abbey for their general living expenses. These costs are not allocated between individual members of the Community as it



would be impracticable to do so. Trustees of Worth School received a total of £179 for food and travel expenditure incurred whilst travelling on school business (2019: £86). The School enters into transactions with parent governors. These transactions occur on an arm's length basis with independent consideration of any bursaries and scholarships which may arise. Trustee Indemnity Insurance is included in the Abbey's insurance policy at no extra cost and covers those members of the Monastic Community serving as Trustees.

The Worth Abbey Group operates in such a way that goods and services are often bought by one entity on behalf of another and then passed on at cost. As a result, during the year Worth Abbey transacted with Worth School, Worth Abbey Construction Limited and Worth Abbey Projects Ltd. Worth School received goods and services from Worth Abbey valued at £781,886 (2019: £1,474,088) in the year and passed goods and services to Worth Abbey valued at £1,822,381 (2019: £851,102) in the year. Goods and services valued at £215,809 (2019: £215,829) were transferred to Worth Abbey Projects Ltd. Worth Abbey bought construction services from Worth Abbey Construction Ltd worth £0 (2019: £18,780).

In addition to these transactions, Worth School leased land and buildings from Worth Abbey for £828,276 (2019: £820,020). Worth Abbey also purchased goods and services from Worth Abbey Projects Ltd to the value of £22,476 (2019: £2,235) on a basis that is equivalent to that paid by other customers of Worth Abbey Projects Ltd.

As at the year end, £5,425,060 was owed to Worth School by Worth Abbey (2019: £6,314,900), £277,392 was owed from Worth Abbey Projects Limited (2019: £220,858) and £453,096 was owed from Worth Abbey Construction Limited (2018: £438,663) to Worth Abbey.

24. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £900,577 (2019: £663,470) and at the year end £110,572 (2019: £87,730) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 September 2019, the Teachers' Pension Scheme (Amendment) Regulations 2019. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2016 and was published in April 2019. The employer contribution was increased from 16.48% to 23.68% effective from 1 September 2019.

The group also makes defined contributions to a group personal pension scheme for its non-teaching staff. Contributions to this scheme in the year amounted to £272,965 (2019: £223,713).



Reference & Administrative details

Registered Office

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RH10 4SB
Tel: 01342 710310
worthabbey.net

Company registration number: 4475556

Charity Registration number: 1093913

Bankers & Principal Advisors

Bankers

HSBC, 9 The Boulevard, Crawley, West Sussex, RH10 1UT

Auditors

Crowe U.K. LLP, Riverside House, High Street, Maidstone, Kent, ME14 1JH

Investment Managers

BlackRock Investment Managers Limited, 12 Throgmorton Avenue, London, EC2N 2DL

Flagstone Investment Management (deposit accounts), 1st Floor, Clareville House, 26-27 Oxendon Street, London, SW1Y 4EL

Smith & Williamson, 25 Moorgate, London, EC2R 6AY

Solicitors

Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH

Stone King, 13 Queen Square, Bath, BA1 2HJ

Womble Bond Dickinson (UK) LLP, Newcastle St Ann's, 112 Quayside, Newcastle Upon Tyne, NE1 3DX

