

WORTH ABBEY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

WORTH ABBEY

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	The Right Reverend Dr John Douglas Barrett, MA (Cantab), MA, PhD, Chair The Reverend Patrick Vincent Fludder, BSc, BD, MA The Reverend Christopher Aidan Murray, BSc, PhD, BA, PGCE The Very Reverend Peter Mostyn Williams Alda Andreotti The Reverend Michael Thoms
Charity registered number	1093913
Company registered number	04475556
Principal office	Worth Abbey Paddockhurst Road Turners Hill Crawley West Sussex RH10 4SB
Independent auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH
Bankers	HSBC 9 The Boulevard Crawley West Sussex RH10 1UT
Solicitors	Farrer & Co. 66 Lincoln's Inn Fields London, WC2A 3LH

WORTH ABBEY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 September 2022 to 31 August 2023.

Foreword from the Abbot of Worth (Chairman of Trustees)

September 2022 to August 2023 has been a productive year for Worth Abbey in which we have seen several of the initiatives begun in 2021-22 begin to bear fruit.

Perhaps most notably, we have developed the monastic mission of our Brighton community by deepening our partnership with the Diocese of Arundel and Brighton. At the invitation of Bishop Richard Moth of Arundel and Brighton, our small community of 'Monks in the City' has taken on the pastoral care of one of the two constituent churches of the East Brighton parish, St John the Baptist in Kemptown. In addition to providing pastoral and sacramental services to the people of this parish, the move to Kemptown has offered the Monks in the City an effective monastic base from which they are better able, by their witness of monastic life, worship, and hospitality to fulfil the mission for which we originally sent monks to Brighton.

At Worth Abbey itself, the Worth Abbey Pilgrims, our newly created partnership network of monks and supporters of the Abbey, has successfully organised and hosted a series of events throughout the year for visitors to the Abbey Church and the Worth Abbey estate. These events have been well supported and immensely popular. Of particular note was the visit of the Relics of St Bernadette of Lourdes, an event which drew many hundreds of participants. The enthusiasm both of the volunteer organisers and of the visitors to Worth Abbey, often individuals who have never visited the site before, has demonstrated the value of such an outreach and suggests paths into the future for events of this nature.

After a series of unforeseen delays, the extensive project to reroof the Abbey Church was completed and the scaffolding that has disfigured the profile of the building has been removed. Also, in the course of the year, an ongoing project to repair the Thomas Heatherwick designed furniture in the nave of the Abbey Church was begun. The outcomes of this project are proving attractive and successful.

Steps to update the Articles of Association of the Worth Abbey Charity were undertaken towards the end of the reporting year, in dialogue with our lawyers, Farrer & Co. New Articles of Association allowing non-monks to become trustees of Worth Abbey, alongside monastic trustees, were adopted by the members of the Trust at the end of August, and will become effective in the course of the year 2023-24. Another important forward looking step that emerged towards the end of the reporting year was work in partnership with Worth School to engage with CCS Fundraising, an international team of development fundraising specialists with wide experience of working with Catholic Charities, towards the creation of a Worth Abbey and Worth School Development Office.

Trustees Report

The Trustees, who also serve as company directors, are pleased to present their report and the consolidated financial statements for Worth Abbey and its subsidiaries for the year ended 31 August 2023. 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 (Statement of Recommended Practice) (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 objectives 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 who profess 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.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

- The advancement of the Roman Catholic religion.

Such other purposes that are charitable.

Living from monastic wisdom, we welcome visitors to share the monks' 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

The Benedictine Monastic Community of Worth Abbey comprises 19 Benedictine monks. Some live together at Worth Abbey, while others are involved in mission contexts in East Brighton and other places. Every member of the community seeks God through fraternal service, communal and personal prayer, hospitality, and pastoral mission.

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 Health and Care Manager who works alongside a monk Infirmarian; they lead in overseeing and providing the necessary medical and other care required. Two occasional nursing staff support this work.

Worth Abbey Music

This year has seen considerable developments in the area of music at Worth Abbey. These developments have been facilitated to a large extent by the new professional Director of Music and Monastic Organist role. Singers from the local area (both professional and volunteer) have been welcomed to participate in the Abbey Choir over the past year, and the growth of the Abbey Choir has enabled an enrichment of its repertoire in line with the Abbey's liturgical aspirations.

Monastic music has continued to strengthen, particularly through regular organ accompaniment, monastic choir practices, and the successful adoption of newly composed plainchant. Significant work has been undertaken to protect the musical legacy of Fr Philip Gaisford, with whom the Director of Music has worked over the past year to lay the foundations for a new mass booklet.

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, which is the sole member. The Abbot of Worth is President of the Worth School Board and a Governor of the School. Two other monastic governors complete the Abbey's support to school governance at Worth. Worth School produces its own annual report which is published separately.

In addition to the support of school governance, Worth Abbey continues to work alongside Worth School in several ways:

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

(continued)

Sunday Mass and Wednesday School Worship – Monks of the Abbey support the School's religious and sacramental life by celebrating an evening mass in the Abbey Church for the School's boarders each term-time Sunday evening. When the School meets to worship as a body during the school week, usually on a Wednesday, monks are present to hear confessions and to celebrate mass from time to time.

Senior Leadership Formation — A series of formation retreat periods are timetabled through the school year for members of the Worth School Senior Leadership Team. These are regularly attended and supported by members of the monastic community, who thereby help to ensure that the Benedictine and Catholic ethos of the School is maintained and strengthened.

Pupil Formation events – Worth School timetables periods of pupil formation, for example the Student Leadership Programme for sixth form students who aspire to positions as Prefects in their final year, in which monks are offered a role as speakers and formators. As with staff formation, this involvement of monks helps to ensure that the Benedictine and Catholic ethos of the School is maintained and strengthened.

School Chaplaincy and the Forerunners — The Chaplaincy is led by the Director of Mission and comprises a team of six youth ministers who are known as 'Forerunners.' Monastic support of the Chaplaincy helps to ensure that the Benedictine and Catholic ethos of the School is maintained and strengthened. This is delivered through regular formation meetings between the Forerunners and members of the Monastic Community.

Worth Abbey further supports the Forerunners by providing them with accommodation in Compass House, situated opposite Worth Abbey Church.

Hospitality and retreats

Hospitality is a hallmark of Benedictine monasteries, and the Monastic Community has 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 Retreat Centre — The Retreat Centre, based in the St Bruno's building, 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 society. People from all faiths and seekers are welcomed for residential and other retreats which are facilitated by professional staff, members of the Monastic Community and lay collaborators and volunteers.

Improvement work on the St Bruno's building undertaken throughout the year is proving of value to the retreat programme.

Monastery guests — We can make guest rooms within the Monastery available for up to three male guests who wish to come on residential retreat to share in the liturgical and community life of the monks. This ministry is supported by a monk Guest Master. Meals are taken with the monks in the Monastery refectory and the monastic day centres around the rhythm of the Divine Office and daily Mass.

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.

In the course of the last year, a major project to renew the fabric of the Abbey Church roof and install solar panels was undertaken. The work took longer than anticipated but has now been completed. The installation of solar panels is already proving very effective.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

(continued)

A major event in October 2022 was the Visit of the Relics of Saint Bernadette of Lourdes to the Abbey Church. The very considerable work of many volunteers and staff ensured 1,500 visitors had a prayerful and enjoyable experience.

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 publicly 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.

During the course of the year an Icon Cross was installed within a purpose built shelter. This now provides a powerful and beautiful symbol of the spiritual nature of the Quiet Garden.

Thanks to the generosity of a benefactor a new path was built down the valley to the Victorian Causeway, greatly enhancing the accessibility of our woodlands to our visitors and guests.

The Worth Abbey Parish

The Worth Abbey Parish is part of the Diocese of Arundel and Brighton and was created in the 1960s from the country area between the large town parishes of East Grinstead, Haywards Heath, and Crawley. Our Abbey parish numbers approximately 250 parishioners; the parish principally serves local residential communities near the Abbey, but 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 2016.

The mission of the Parish is to foster values of welcome and hospitality towards our fellow Christians, and to those of other faiths and none. The Parish is committed to service and outreach to the poor and those in need; to evangelisation; to the young; and to the protection of God's Creation. Catechesis (religious instruction) of both children and adults is an important part of the work of the parish.

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. Sunday masses are live streamed via YouTube and Vimeo.

Brighton mission: 'Monks in the City'

The Brighton Mission, 'Monks in the City,' are now resident in the Presbytery of St John Baptist, Kemptown. This is a more appropriate physical resource for monastic life, mission and worship than has been available at earlier stages of this project. The Worth monks work integrally with the East Brighton Parish team.

Their priority remains that of following the Benedictine way of life and witnessing to the gospel, living alongside the people of East Brighton. They have offered hospitality and engaged in pastoral ministry in the local parish and the locality. The Chaplaincy to the University of Sussex, Falmer, remains an important element of this mission.

Other forms of outreach beyond Worth

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

- Abbot Mark Barrett is the Chairman of the Union of Monastic Superiors (UK & Ireland).
- Abbot Christopher Jamison was re-elected in July 2022 to a second term of four years as Abbot President of the English Benedictine congregation.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

(continued)

- Fr Stephen Ortiger is Episcopal Vicar for Religious in the Dioceses of Arundel and Brighton, and Diocesan Coordinator of School chaplains.
- Fr Aidan Murray is the Episcopal Vicar for Ecumenical Affairs.
- Fr Roderick Jones is the Roman Catholic Chaplain to the University of Sussex.
- Fr Martin McGee is the interreligious advisor to the Arundel and Brighton Diocese Diocesan Interfaith Group.

Worth Abbey Outreach Peru (WAOP)

The Restricted Fund WAOP was established in 1968 to support the monks of Worth Abbey and those networks, institutions and people working for the poor in Peru that the monks sponsor. Over the decades, WAOP has financed projects in nutrition, health, education, and sustainable development, provided emergency aid to vulnerable people, e.g. after an earthquake, and supported the catechetical life of the Peruvian Catholic Church. Fr Alexander da Costa Fernandes, Director, monitors projects through the year including an annual visit.

In 2022, Fr Alexander spent six months immersed in Peru, still going through profound political convulsions and social unrest. The value of direct contact with the four institutions delivering projects in the present state of increasing generalised corruption running through society cannot be overestimated. Contact with beneficiaries, unmediated by either the sponsoring institution or by the project team members, allows for a direct evaluation of the impact of the work. Project funding was increased significantly over previous years, supporting a total of 7 projects, with a total impact on 57,278 beneficiaries (direct 17,742 and indirect estimated 39,536).

The overall policy supports interventions among the poorest sectors, e.g. rural poor, the vulnerable, and adolescents. A new initiative is directed to empowering indigenous rural women, one of the most socially excluded and impoverished sectors of society.

The Trustees of Worth Abbey are assisted in their overall responsibility for the Fund by delegating some oversight and decision making to the 'Outreach Peru Committee'.

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 September 2022 Strutt and Parker carried out a review of the estate and provided a strategy and recommendations for the future.

Worth Abbey Farm and Livery

The farm is managed by a Farm Manager who is an employee of Worth Abbey.

There are 38 stables available which remain full this year. These are used by local residents on a DIY basis. There are plans to develop the livery by offering other services to clients and thought is being given to creating a riding school.

The Farm Manager successfully gained a Countryside Stewardship grant for the next five years. There are several obligations around this particularly in woodland management and work has begun in tree felling of non-native species.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

SECR (Streamlined Energy & Carbon Reporting) statement

The parent company utilises less than 40,000KWh of energy per year and the subsidiaries are not within the scope of the SECR. The parent company utilises less than 40,000KWh of energy per year and the subsidiaries are not within the scope of the SECR.

Section 172(1) statement

The trustees act in good faith to make decisions, the outcome of which they consider will be most likely to promote the success of the charity for the benefit of its charitable purposes, both in current periods and in the long term.

In discharging their duties above, the trustees carefully consider, amongst other matters, the impact on and interests of clients, volunteers, staff, funders and suppliers, and factor these into their decision-making process.

Clients

The trustees put considerable time, effort and resources into understanding and responding to the needs of our clients.

Volunteers and staff

Trustees receive information on volunteer and staff physical and mental well-being and are dedicated to promoting a healthy workforce. They support the current work to build an inclusive culture and, as such, are committed to attracting and retaining diverse, high-calibre talent which volunteer, and staff development helps support.

Funders

The trustees closely monitor our funder relationships and receive regular reports on how we are meeting funder requirements. Our impact section and our 'main services across England and Wales' section of this report demonstrate how we are providing services that deliver a high value-for-money offer for our funders.

Suppliers

The trustees have established procedures to ensure that external suppliers are individually verified to ensure they meet with health and safety, regulatory and financial security standards required by the Charity.

Community and the environment

The Charity recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with any regulatory environmental standards. The Charity seeks to implement policies aimed at reducing any potential harmful environmental impact of its activities.

Standards and conduct

The Charity has various policies regarding ethical standards and the conduct of business.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Financial review and results for the year

General funds

Worth Abbey and its subsidiaries made a net unrestricted surplus for the year ended 31 August 2023 of £377,963 (2022: £1,237,976). This is stated before investment losses of £171,358 (2022: £47,795 loss) and transfers between funds.

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

Designated funds

The trustees of Worth Abbey and Worth School have funds they have designated for specific purposes including development of the abbey, building repairs and capital investment.

In the year ending 31 August 2023, Worth Abbey and its subsidiaries made a net deficit on designated funds of £897,942 (2022: £96,084 deficit) prior to transfers to/from the funds.

Restricted funds

The trustees of Worth Abbey and Worth School have funds that have restricted to specific purposes by donors including Outreach Peru.

In the year ending 31 August 2023, Worth Abbey and its subsidiaries made a net deficit on restricted funds of £252,355 (2022: £230,992 deficit) prior to investment losses and transfers to/from the funds.

The largest component of the net transfers between funds related to the transfer of the Sixth Form Centre from restricted to general funds of £6,248,998.

Going concern

The Trustees have met regularly to review the financial performance of the Group, and Trustees maintained an ongoing dialogue with members of its subsidiaries.

Going forward there is a risk from high interest rates, the impact of rising costs and staff shortages. There is an additional risk to Worth School from the implications of a change in government with the possible threat of VAT on school fess and the loss of any building rates rebates.

On the other hand, pupil applications to the School remain consistent. The School budgeted on opening with 660 pupils in September and the actual pupil numbers were 664 at September 2023.

When considering going concern, the trustees consider a worst case, base case and best case scenario and a range of mitigating actions available to them. Cash is managed through a 12-month rolling forecast for the whole Worth Abbey group: Worth Abbey, Worth School, Worth School Lettings Ltd, Worth Abbey Projects Ltd and Worth Abbey Construction Ltd. The Trustees receive regular reports of these forecasts.

The group operating forecasts, together with cash flow forecasts, indicate that the group can expect to meet all its anticipated payments from its anticipated inflows and existing borrowing facilities for the next 12 months even in the worst case scenario. As a result of these factors the Trustees consider that the group remains a going concern.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Our approach to reserves management

Reserves are held for several practical reasons, including the following:

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

The Trustees' policy is to hold general 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.

As at 31 August 2023 free reserves are £9,360,932 deficit (2022: £4,270,770 deficit) which comprise general reserves of £24,931,663 (2022: £22,104,095) less the functional fixed assets used by the Group held at historical cost of £34,292,599 (2022: £26,374,865). Part of this shortfall is financed by bank loans totalling £5,010,426 (2022: £3,926,843). 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 expect the financial performance of Worth School, Worth School Lettings Limited, and Worth Abbey Projects Limited to improve and are looking at measures to manage costs within Worth Abbey.

Designated reserves

At 31 August 2023, the Group had designated reserves of £3,603,217 (2022: £2,795,850).

There is £2,689,586 principally being held for planned maintenance work and capital investment in the School and the Abbey. The trustees of Worth Abbey and Worth School anticipate that these funds will be used over the next 12 to 36 months.

The remaining designated reserves are for parts of the group that operate with a degree of independence from the main charities including the parent body, Friends of Worth, the alumni association, Worth Society, and the outreach Brighton project. These reserves would expect to be maintained into the future.

Restricted reserves

At 31 August 2023, the Group had restricted reserves of £1,454,493 (2022: £7,982,839).

These represent donations received for particular purposes mainly Outreach Peru and Bursary fund.

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 investment subcommittee completed the process of reviewing the investment policy, in light of Mensuram Bonam and with a desire to have greater transparency of the investments in relation to the principles of Catholic Social Teaching. In completing this process, the committee also reviewed their investment managers, tendering the contract in November 2022. At the conclusion of this process the committee advised the trustees that Evelyn Partners would be best placed to meet the investment requirements of the charity and they were subsequently appointed.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

The process of transferring the assets from the BlackRock funds was completed towards the end of July 2023.

Worth Abbey's investments had been invested in BlackRock Catholic Charities Growth and Income Fund, a Charity Authorised Investment Fund ('CAIF') managed by BlackRock Investment Management (UK) Limited, for most of the year. In the financial year 01 September 2022 to 31 August 2023, the performance of the fund was -5.9%, its benchmark being 3.2% estimated growth yield.

The Fund supporting Worth Abbey's mission in Peru has been managed by Evelyn Partners in a USD denominated bespoke investment account with a similar ethical policy. In this financial year, the portfolio was significantly de-risked with the expectation that the funds will be used in full in the next couple of years to support the mission. The portfolio paid out \$283,043 for the mission with the underlying portfolio returning positive 6.1% for the year. However, there have been foreign exchange losses during the year which have resulted in a net gain of 1.9% for the year.

The Trustees periodically review the performance of investments against the agreed benchmark. The Outreach Peru Fund has broadly matched its benchmark this year.

Risks and uncertainties

The Trustees are responsible for Worth Abbey's systems of internal control and for reviewing its effectiveness.

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 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' high risks and an annual review of all 'amber' moderate risks.

Action taken to mitigate risks has included purchasing appropriate insurance cover. The Trustees benefit from indemnity insurance cover which is included in Worth Abbey's insurance policy.

Legal Structure and Governance

Worth Abbey is a company limited by guarantee incorporated in England on 02 July 2002. Our Articles of Association were last amended on 6 September 2023 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 of three subsidiaries:

- Worth Abbey is the sole member of Worth School. Worth School is a company limited by guarantee (4476558) and a charity registered in England and Wales (1093914). The School is governed by the School Governors (who are also its Directors and Trustees). The Abbot is President of the School Board and a Governor. The charitable objects of the School are to provide education in the Benedictine tradition, advance the Roman Catholic faith and support the work of Worth Abbey.
- Worth School is the sole shareholder of Worth School Lettings Limited (WSL). WSL is a private company limited by shares (13581948). WSL has a duly constituted Board of directors (one of whom is a member of the Worth Abbey Trustee Advisory Committee and one other who is a governor of Worth School). The Company's objectives are to let or hire the buildings and sports facilities within the Worth School campus on a short term basis when they are not in use by fee-paying students at Worth School and to carry out activities in the service of young people and the furtherance of the Catholic faith.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

- Worth Abbey is the sole shareholder of Worth Abbey Projects Limited (WAP). WAP is a private company limited by shares (4523776). WAP is a commercial company set up to raise funds for Worth Abbey via several activities such as lettings in 'The Open Cloister,' retreats, farm and forestry operations, the Church bookshop, Bermondsey Huts, and other commercial activities.
- Worth Abbey is the sole shareholder for Worth Abbey Construction Limited (WACL). WACL is a private company limited by shares (4074835). WACL has a fully constituted Board of Directors (both are Trustees of Worth Abbey). WACL is a commercial company set up to undertake major construction project on behalf of Worth Abbey.

Trustees of Worth Abbey and appointments

At the end of the reporting year 2022-2023, on 29th August 2023, the members of Worth Abbey (the Abbot and Chapter of Worth Abbey) adopted an updated set of Articles of Association for the Charitable Company Worth Abbey by Special Resolution. These Articles, drawn up by Worth Abbey's lawyers, Farrer & Co, have been duly submitted both to Companies House and to the Charity Commission in the usual fashion.

The major change introduced by the 2023 Articles of Association affects the composition of the Trustees body of Worth Abbey and allows for several professionally skilled people who are not monks of Worth Abbey to become trustees of Worth Abbey alongside the monastic trustees drawn from the membership of Worth Abbey. The changes introduced by these renewed Articles will be implemented during the next reporting year, September 2023 to August 2024, and will be addressed more fully in the report for that year.

During the current reporting year September 2022 to August 2023, under the Articles of Association effective during that period, the Trustees of Worth Abbey remained the Abbot of Worth Abbey and the monastic members of 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 Trustees administer the affairs of Worth Abbey. There is a schedule of matters reserved for its consideration; some of these matters it can decide upon, for others, trustees make 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.

Trustees

The Trustees who served during the year were:

Abbot & Chair of Trustees:

The Right Reverend Dr John Douglas Barrett MA (Cantab), MA, PhD

Trustees:

The Very Reverend Peter Mostyn Williams (Prior)

The Reverend Patrick Vincent Fludder BSc, BD, MA (Subprior)

The Reverend Martin Edward McGee BA MA (resigned 17 October 2023)

The Reverend Christopher Aidan Murray BSc, PhD, BA, PGCE

Post year end appointments:

Alda Andreotti (appointed 1 September 2023)

The Reverend Michael Thoms (appointed 1 September 2023)

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Trustees of Worth Abbey and appointments (continued)

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 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. The members of the TAC are:

Chair:

The Reverend Michael Thoms, BA (Hons)

Members:

Alda Andreotti

The Rt Reverend J D Barrett MA (Cantab), MA, PhD

The Reverend P V Fludder BSc, BD, MA

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

Kevin Smyth

Monica Turner

David Buxton

Stephan Evans

Patrick Bergin

Worth Abbey also has:

- a Health and Safety Committee;
- Worth Abbey Outreach Peru Committee (consisting of the Abbot, Subprior, director of AOP and one external advisor) which has some delegated authority from Trustees to make decisions on which projects to fund.

Senior staff

The senior personnel in the Worth Abbey charity are Benedictine Monks, i.e. the Abbot, the Prior and the Subprior. 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 Abbey currently relies on senior staff in Worth School for other necessary expertise. The School's key management personnel comprise the Head Master, the Chief Operating Officer and the Second Master. These staff are appointed and remunerated by the governors of Worth School.

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. A lead Trustee for safeguarding 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 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 Lead for Worth School, and its safeguarding policies and practices are developed to reflect educational safeguarding requirements when appropriate.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Trustees of Worth Abbey and appointments (continued)

The Trustees have appointed a Religious Safeguarding Lead (RSL) who is 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.

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 2022-23;
- undertaken a number of Privacy Impact Assessments (PIA's) particularly in relation to the live streaming of Monastic and Parish Masses and online retreats.

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WORTH ABBEY

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Disclosure of information to auditor


Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
The Rt Reverend J D Barrett MA (Cantab), PhD
(Chair of Trustees)
Date:
21/02/24

WORTH ABBEY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORTH ABBEY

Opinion

We have audited the financial statements of Worth Abbey (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

WORTH ABBEY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORTH ABBEY (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; 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, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORTH ABBEY (CONTINUED)

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Charities Act 2011 together with the Charities SORP (FRS102).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiries of management about their own identification and assessment of the risks of irregularities;
- reviewing board minutes and making enquiries of management regarding any non-compliance with laws and regulations and fraud;
- reviewing the revenue, supplier payments and payroll for significant deficiencies or susceptibility to fraud;
- reviewing that revenue has been recognised appropriately and that the revenue accounting policy is compliant with the financial reporting framework;
- challenging assumptions and judgements made by management in their significant accounting estimates and judgements; and
- reviewing journal entries, in particular any journal entries posted with unusual account combinations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

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

WORTH ABBEY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORTH ABBEY (CONTINUED)



Ian Weekes

Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date: 18 April 2024

WORTH ABBEY

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	73,959	172,451	246,410	394,821
Charitable activities	5	19,928,650	-	19,928,650	17,483,345
Other trading activities	7	708,233	-	708,233	414,788
Investments	8	186,160	34,405	220,565	109,199
Other income	9	766,997	-	766,997	574,680
Total income		21,663,999	206,856	21,870,855	18,976,833
Expenditure on:					
Raising funds	10	1,223,873	9,092	1,232,965	1,003,255
Charitable activities	11	20,062,162	450,119	20,512,281	16,966,595
Total expenditure		21,286,035	459,211	21,745,246	17,969,850
Net income/(expenditure) before net losses on investments		377,964	(252,355)	125,609	1,006,983
Net losses on investments		(171,358)	(51,812)	(223,170)	(108,170)
Net income/(expenditure)		206,606	(304,167)	(97,561)	898,813
Transfers between funds	22	6,224,178	(6,224,178)	-	-
Net movement in funds		6,430,784	(6,528,345)	(97,561)	898,813
Reconciliation of funds:					
Total funds brought forward		22,104,095	7,982,839	30,086,934	29,188,121
Net movement in funds		6,430,784	(6,528,345)	(97,561)	898,813
Total funds carried forward		28,534,879	1,454,494	29,989,373	30,086,934

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 52 form part of these financial statements.

WORTH ABBEY

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	34,292,595	32,571,330
Investments	16	4,545,664	4,855,420
		<u>38,838,259</u>	<u>37,426,750</u>
Current assets			
Stocks	17	251,570	204,778
Debtors	18	1,102,046	983,062
Cash at bank and in hand		4,179,492	4,675,172
		<u>5,533,108</u>	<u>5,863,012</u>
Creditors: amounts falling due within one year	19	(7,854,612)	(7,249,895)
Net current liabilities		<u>(2,321,504)</u>	<u>(1,386,883)</u>
Total assets less current liabilities		<u>36,516,755</u>	<u>36,039,867</u>
Creditors: amounts falling due after more than one year	20	(6,527,383)	(5,952,933)
Total net assets		<u><u>29,989,372</u></u>	<u><u>30,086,934</u></u>
Charity funds			
Restricted funds	22	1,454,493	7,982,839
Unrestricted funds			
Designated funds	22	3,603,217	2,795,850
General funds	22	24,931,662	19,308,245
Total unrestricted funds	22	<u>28,534,879</u>	<u>22,104,095</u>
Total funds		<u><u>29,989,372</u></u>	<u><u>30,086,934</u></u>

The financial statements were approved and authorised for issue by the Trustees on 21 February 2024 and signed on their behalf by:



The Rt Reverend J D Barrett MA (Cantab)
(Trustee)



The Reverend P V Fludder
(Trustee)

The notes on pages 23 to 52 form part of these financial statements.


WORTH ABBEY

**CHARITY BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	33,776,530	32,011,943
Investments	16	3,573,162	3,960,055
		<u>37,349,692</u>	<u>35,971,998</u>
Current assets			
Stocks	17	1,078	1,864
Debtors	18	814,670	960,774
Cash at bank and in hand		281,530	199,722
		<u>1,097,278</u>	<u>1,162,360</u>
Creditors: amounts falling due within one year	19	(8,695,255)	(7,039,558)
Net current liabilities		<u>(7,597,977)</u>	<u>(5,877,198)</u>
Total assets less current liabilities		<u>29,751,715</u>	<u>30,094,800</u>
Creditors: amounts falling due after more than one year	20	(4,333,247)	(3,447,435)
Total net assets		<u><u>25,418,468</u></u>	<u><u>26,647,365</u></u>
Charity funds			
Restricted funds		426,449	6,923,357
Unrestricted funds			
Designated funds		1,048,736	917,629
General funds		23,943,283	18,806,379
		<u>24,992,019</u>	<u>19,724,008</u>
Total funds		<u><u>25,418,468</u></u>	<u><u>26,647,365</u></u>

The financial statements were approved and authorised for issue by the Trustees on 21 February 2024 and signed on their behalf by:


The Rt Reverend J D Barrett MA (Cantab)
(Trustee)


The Reverend P V Fludder
(Trustee)

The notes on pages 23 to 52 form part of these financial statements.

WORTH ABBEY

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	1,089,694	2,923,428
Cash flows from investing activities		
Dividends, interests and rents from investments	220,565	109,199
Proceeds from the sale of tangible fixed assets	9,750	9,750
Purchase of tangible fixed assets	(2,956,275)	(2,988,850)
Drawdowns on investments	227,309	275,418
Purchase of investments	(161,812)	(200,000)
Net cash used in investing activities	(2,660,463)	(2,794,483)
Cash flows from financing activities		
Decrease/(increase) in parents' acceptance deposits	236,158	(302,832)
Repayments of loans	(416,418)	(1,057,610)
Interest paid	(244,650)	(102,984)
New loans	1,500,000	-
Net cash provided by/(used in) financing activities	1,075,090	(1,463,426)
Change in cash and cash equivalents in the year	(495,679)	(1,334,481)
Cash and cash equivalents at the beginning of the year	4,675,171	6,009,652
Cash and cash equivalents at the end of the year	4,179,492	4,675,171

The notes on pages 23 to 52 form part of these financial statements

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. General 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

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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 2023. 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.

The company's net movement in funds for the year was a decrease of £1,228,897 (2022: decrease of £527,954).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.2 Going concern

The Trustees consider that the going concern basis of preparation remains appropriate as the forward financial projections suggest surpluses in future years. The forward cash projections of the Group show that it will generate sufficient cash to meet its needs.

When considering going concern, the trustees consider a base case scenario, a reasonable worst-case scenario and a range of mitigating actions that are available to them. Cash is managed through a 12-month rolling forecast for the whole Worth Abbey group: Worth Abbey, Worth School, Worth Abbey Projects Ltd and Worth Abbey Construction Ltd. The Trustees receive regular reports of these forecasts.

The group operating forecasts, together with cash flow forecasts, indicate that the group can expect to meet all its anticipated payments from its anticipated inflows and existing borrowing facilities for the next 12 months even in the reasonable down side scenario. As a result of these factors the Trustees consider that the group remains a going concern.

2.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees (as set out on page 11) 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.

2.4 Income and liability recognition

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

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.6 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.

2.7 Resources expended

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

- Costs of raising 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.

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.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

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 are 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 2022.

Assets under construction are accounted for at cost, based on the value of direct or other costs incurred at the year end date. They are not depreciated until the accounting period in which they are brought into use. Interest of £19,004 has been capitalised during the year.

When a tangible fixed asset is funded through an appeal or by way of a grant or donation, the accounting treatment of the asset acquired will depend on the circumstances of each case. In deciding whether the asset is categorised as restricted or unrestricted, Trustees should consider the terms of the gift:

- require the charity to hold the tangible asset acquired for an on-going basis for a specific purpose;
- are met once the specified asset is acquired, so allowing the charity to use the asset acquired on an unrestricted basis for any charitable purpose.

Tangible fixed assets costing £2,500 or more are capitalised and recognised when future economic

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

benefits are probable and the cost or value of the asset can be measured reliably. Items costing less than £2,500 are written off as an expense as acquired.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 30 - 50 years
Plant and machinery	- 2 - 20 years
Motor vehicles	- 4 years
Fixtures and fittings	- 5 - 10 years
Sports equipment	- 4 years
Computer equipment	- 3 - 4 years

2.9 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.

2.10 Stock

Stocks are valued at the lower of cost and net realisable value. Livestock are measured at their fair value less sale costs.

2.11 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.

2.12 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.

2.13 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.14 Financial instruments

The Group 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.

2.15 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.

2.16 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.

2.17 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.

2.18 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.

2.19 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.

2.20 Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for a specific purpose but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.21 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 28, the TPS is a multiemployer 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 for teaching staff up to a maximum of 12% of annual basic pay. These costs are recognised on an accrual's basis.

2.22 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 are set out in Note 22 to the financial statements.

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

2.23 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.

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

3. Critical accounting estimates and areas of judgment

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.

Critical accounting estimates and assumptions:

- 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.
- iv. Woodlands revaluation: The estimation of uncertainty involves the use of judgement employed by the Trustees, however, the Trustees have relied on an independent valuer.
- v. Interest rate swap: The Trustees have an interest rate swap agreement on variable rate loans which exchanges payments on periodic interest rate payments

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations			
Gifts & donations from individuals and trusts	73,959	171,436	245,395
Gift aid tax reclaimed	-	1,015	1,015
	<u>73,959</u>	<u>172,451</u>	<u>246,410</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations			
Gifts & donations from individuals and trusts	167,001	216,626	383,627
Gift aid tax reclaimed	-	11,194	11,194
	<u>167,001</u>	<u>227,820</u>	<u>394,821</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Advancement of education	19,552,985	19,552,985
Advancement of religion	188,785	188,785
Other charitable activities	186,880	186,880
	<u>19,928,650</u>	<u>19,928,650</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Advancement of education	17,162,153	17,162,153
Advancement of religion	160,527	160,527
Other charitable activities	160,665	160,665
	<u>17,483,345</u>	<u>17,483,345</u>

6. Income from the advancement of education

	Unrestricted funds 2023 £	Total funds 2023 £
Fee income for the year	20,753,071	20,753,071
Release of fee prepayments	165,828	165,828
Extras	1,040,984	1,040,984
Entrance fees	48,081	48,081
Less:	-	
Scholarships granted	(1,327,659)	(1,327,659)
Bursaries and other remissions	(1,127,320)	(1,127,320)
	<u>19,552,985</u>	<u>19,552,985</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fee income for the year	17,992,798	17,992,798
Release of fee prepayments	708,459	708,459
Extras	877,043	877,043
Entrance fees	72,589	72,589
	-	-
Less:	-	-
Scholarships granted	(1,459,737)	(1,459,737)
Bursaries and other remissions	(1,028,998)	(1,028,998)
	<u>17,162,154</u>	<u>17,162,154</u>

7. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Courses and lettings	<u>708,233</u>	<u>708,233</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Courses and lettings	<u>414,788</u>	<u>414,788</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Investment income from listed securities	153,473	34,405	187,878
Interest receivable	32,687	-	32,687
	<u>186,160</u>	<u>34,405</u>	<u>220,565</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income from listed securities	83,597	-	83,597
Interest receivable	-	25,602	25,602
	<u>83,597</u>	<u>25,602</u>	<u>109,199</u>

9. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £
Rental income	234,952	234,952
Biomass income	153,901	153,901
Membership fees	101,267	101,267
Domestic services	50,398	50,398
Other income	226,479	226,479
	<u>766,997</u>	<u>766,997</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Other incoming resources (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Rental income	196,344	196,344
Biomass income	137,731	137,731
Membership fees	80,980	80,980
Domestic services	61,464	61,464
Other income	98,161	98,161
	<u>574,680</u>	<u>574,680</u>

10. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Investment management fees	338	9,092	9,430
Marketing - staff costs	236,385	-	236,385
Marketing - other	352,376	-	352,376
Other costs - staff	288,960	-	288,960
Other costs - other	318,254	-	318,254
Other costs - depreciation	27,560	-	27,560
	<u>1,223,873</u>	<u>9,092</u>	<u>1,232,965</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Expenditure on raising funds (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment management fees	13,356	13,806	27,162
Marketing - staff costs	195,877	-	195,877
Marketing - other	257,766	-	257,766
Other costs - staff	281,983	-	281,983
Other costs - other	215,085	-	215,085
Other costs - depreciation	25,382	-	25,382
	<u>989,449</u>	<u>13,806</u>	<u>1,003,255</u>

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Advancement of education	18,519,663	141,339	18,661,002
Advancement of religion	1,404,565	19,125	1,423,690
Outreach Peru	-	288,526	288,526
Other charitable activities	137,934	1,129	139,063
	<u>20,062,162</u>	<u>450,119</u>	<u>20,512,281</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Advancement of education	15,367,141	158,976	15,526,117
Advancement of religion	1,034,683	15,774	1,050,457
Outreach Peru	-	302,337	302,337
Other charitable activities	82,644	5,040	87,684
	<u>16,484,468</u>	<u>482,127</u>	<u>16,966,595</u>

Summary by expenditure type

	<i>Staff costs 2023 £</i>	<i>Depreciation 2023 £</i>	<i>Other costs 2023 £</i>	<i>Total 2023 £</i>
Advancement of religion	207,591	157,983	1,058,116	1,423,690
Advancement of education	10,557,690	1,046,966	7,056,346	18,661,002
Outreach Peru	1,062	-	287,464	288,526
Other charitable activities	-	96,904	42,159	139,064
	<u>10,766,343</u>	<u>1,301,853</u>	<u>8,444,085</u>	<u>20,512,281</u>

	<i>Staff costs 2022 £</i>	<i>Depreciation 2022 £</i>	<i>Other costs 2022 £</i>	<i>Total 2022 £</i>
Advancement of religion	212,793	196,001	641,663	1,050,457
Advancement of education	9,355,877	817,397	5,352,843	15,526,117
Outreach Peru	847	-	301,490	302,337
Other charitable activities	-	-	87,684	87,684
	<u>9,569,517</u>	<u>1,013,398</u>	<u>6,383,680</u>	<u>16,966,595</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	42,684	38,132
Fees payable to the Charity's auditor in respect of:		
Audit-related assurance services	1,020	1,000
All non-audit services not included above	14,820	-

13. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	8,676,113	7,813,544	413,714	187,019
Social security costs	887,173	796,351	18,708	15,932
Contribution to defined contribution pension schemes	1,203,057	1,155,499	14,800	10,690
	<u>10,766,343</u>	<u>9,765,394</u>	<u>447,222</u>	<u>213,641</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Teaching & teaching support	120	112	-	-
Welfare	63	60	2	2
Premises	34	36	-	-
Management, administration & fundraising	63	70	5	8
	<u>280</u>	<u>278</u>	<u>7</u>	<u>10</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	17	21
In the band £70,001 - £80,000	22	9
In the band £80,001 - £90,000	4	2
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	-	2
In the band £110,001 - £120,000	2	1
In the band £170,001 - £180,000	-	1
In the band £180,001 - £200,000	1	-

39 of the above (2022: 34) were members of a defined benefit pension scheme. Total pension contributions payable for these employees amounted to £548,363 (2022: £493,849) in the year.

8 of the above (2022: 4) were members of a defined contribution pension scheme. Total pension contributions payable for these employees amounted to £58,966 (2022: £28,902) in the year.

The key management personnel received total remuneration for the year of £396,149 (2022: £409,219).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £199 (2022 - £Nil) for food and travel expenditure were reimbursed or paid directly to the Trustees.

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Assets under construction £	Computer equipment £	Sports equipment £	Total £
Cost or valuation								
At 1 September 2022	40,973,364	4,499,295	278,094	747,057	261,293	578,722	114,615	47,452,440
Additions	797,894	316,313	-	1,529,215	312,855	-	-	2,956,277
Disposals	-	(70,201)	(51,080)	-	-	(150,329)	-	(271,610)
Transfers	261,293	-	-	-	(261,293)	-	-	-
At 31 August 2023	42,032,551	4,745,407	227,014	2,276,272	312,855	428,393	114,615	50,137,107
Depreciation								
At 1 September 2022	11,702,330	2,028,967	249,283	266,637	-	536,707	97,188	14,881,112
Charge for the year	756,077	205,797	12,005	225,731	-	20,237	15,165	1,235,012
On disposals	-	(70,203)	(51,080)	-	-	(150,329)	-	(271,612)
At 31 August 2023	12,458,407	2,164,561	210,208	492,368	-	406,615	112,353	15,844,512

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Tangible fixed assets (continued)

Group (continued)

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Assets under construction £	Computer equipment £	Sports equipment £	Total £
Net book value								
<i>At 31 August 2023</i>	29,574,144	2,580,846	16,806	1,783,904	312,855	21,778	2,262	34,292,595
<i>At 31 August 2022</i>	29,271,035	2,470,329	28,811	480,420	261,293	42,015	17,427	32,571,330

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2022	40,973,364	3,438,909	99,168	247,661	26,812	44,785,914
Additions	797,894	-	-	1,529,215	312,853	2,639,962
Transfers	261,293	-	-	-	(26,811)	234,482
At 31 August 2023	42,032,551	3,438,909	99,168	1,776,876	312,854	47,660,358
Depreciation						
At 1 September 2022	11,702,330	969,007	77,173	25,461	-	12,773,971
Charge for the year	756,077	205,370	5,189	143,221	-	1,109,857
At 31 August 2023	12,458,407	1,174,377	82,362	168,682	-	13,883,828
Net book value						
At 31 August 2023	29,574,144	2,264,532	16,806	1,608,194	312,854	33,776,530
At 31 August 2022	29,271,034	2,469,902	21,995	222,200	26,812	32,011,943

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Fixed asset investments

Group	Listed investments £	Works of Art £	Woodlands £	Total £
Cost or valuation				
At 1 September 2022	4,314,409	41,000	500,011	4,855,420
Investment	161,812	-	-	161,812
Management fees	(21,089)	-	-	(21,089)
Foreign exchange gains/(losses)	(28,268)	-	-	(28,268)
Unrealised investment gains/(losses)	(194,902)	-	-	(194,902)
Drawdown on Investment	(227,309)	-	-	(227,309)
At 31 August 2023	<u>4,004,653</u>	<u>41,000</u>	<u>500,011</u>	<u>4,545,664</u>

Net book value

At 31 August 2023	<u>4,004,653</u>	<u>41,000</u>	<u>500,011</u>	<u>4,545,664</u>
At 31 August 2022	<u>4,314,409</u>	<u>41,000</u>	<u>500,011</u>	<u>4,855,420</u>

Charity	Investments in subsidiary companies £	Listed investments £	Works of Art £	Woodlands £	Total £
Cost or valuation					
At 1 September 2022	1,100	3,417,944	41,000	500,011	3,960,055
Investment	-	26,812	-	-	26,812
Management fees	-	(16,771)	-	-	(16,771)
Foreign exchange gains/(losses)	-	(28,268)	-	-	(28,268)
Unrealised investment gains/(losses)	-	(141,357)	-	-	(141,357)
Drawdown on Investment	-	(227,309)	-	-	(227,309)
At 31 August 2023	<u>1,100</u>	<u>3,031,051</u>	<u>41,000</u>	<u>500,011</u>	<u>3,573,162</u>

Net book value

At 31 August 2023	<u>1,100</u>	<u>3,031,051</u>	<u>41,000</u>	<u>500,011</u>	<u>3,573,162</u>
At 31 August 2022	<u>1,100</u>	<u>3,417,944</u>	<u>41,000</u>	<u>500,011</u>	<u>3,960,055</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

16. Fixed asset investments (continued)

Principal subsidiaries

The following companies were also subsidiary undertakings of the Charity and are included in the consolidation:

Names	Company number	Principal activity	Class of shares	Holding
Worth School	04476558	Advancement of education	Ordinary	100%
Worth Abbey Construction Limited	04074835	Planning and building contractors	Ordinary	100%
Worth Abbey Projects Limited	04523776	General commercial company	Ordinary	100%
Worth School Lettings Limited	13581948	Letting of lands and buildings	Ordinary	100%

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

16. Fixed asset investments (continued)

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Worth School	20,455,187	19,331,890	1,123,297	4,737,103
Worth Abbey Construction Limited	90,681	90,681	-	1,000
Worth Abbey Projects Limited	305,320	297,280	8,040	(166,097)
Worth School Lettings Limited	708,233	708,233	-	1

The registered address for all subsidiaries listed above is Worth Abbey, Paddockhurst Road, Turners Hill, Crawley, West Sussex, RH10 4SB.

17. Stocks

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
General stores	251,570	204,778	1,078	1,864

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

18. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Due within one year				
Trade debtors	131,702	-	-	-
Amounts owed by group undertakings	-	-	577,500	636,356
Other debtors	27,954	196,857	96	5
Prepayments and accrued income	476,896	487,458	60,142	147,481
Financial instruments	176,932	176,932	176,932	176,932
School fees and extras less bad debt provision	288,562	121,815	-	-
	<u>1,102,046</u>	<u>983,062</u>	<u>814,670</u>	<u>960,774</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

18. Debtors (continued)

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.

19. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	677,179	479,408	677,179	479,408
School fees and extras received in advance	2,997,344	3,854,156	-	-
Trade creditors	781,483	339,409	241,106	34,567
Acceptance deposits	611,699	452,986	-	-
Amounts owed to group undertakings	-	-	7,356,339	6,347,192
Other taxation and social security	289,577	222,792	6,817	5,609
Fee prepayments	578,137	717,161	-	-
Other creditors	203,848	201,903	4,186	-
Accruals and deferred income	1,715,345	982,080	409,628	172,782
	<u>7,854,612</u>	<u>7,249,895</u>	<u>8,695,255</u>	<u>7,039,558</u>

Included in consolidated other creditors are outstanding pension contributions of £144,914 (2022: £136,398).

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

20. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	4,333,247	3,447,435	4,333,247	3,447,435
Fee prepayments	37,726	426,532	-	-
Acceptance deposits	2,156,410	2,078,966	-	-
	<u>6,527,383</u>	<u>5,952,933</u>	<u>4,333,247</u>	<u>3,447,435</u>

The Abbey also has three long term loans which are under monthly repayments. One loan bears interest at base rate plus 2.2% and is due to be repaid in March 2030. The second loan bears interest at base rate plus 2.5% and is due to be repaid in June 2036. The third loan bears interest at base rate plus 2.5% and is due to be repaid in September 2027.

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through profit and loss	-	176,932	-	176,932
Financial assets measured at amortised cost	4,627,707	4,872,027	458,554	199,727
	<u>4,627,707</u>	<u>5,048,959</u>	<u>458,554</u>	<u>376,659</u>
	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial liabilities				
Financial liabilities measured at amortised cost	(14,360,560)	(13,202,826)	(13,027,843)	(10,486,774)

Financial assets measured at fair value through profit and loss comprise financial instruments.

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.

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Designated funds						
Hardship Fund	-	-	(5,174)	5,174	-	-
Maintenance and capital funds	1,884,059	-	(851,426)	1,656,953	-	2,689,586
Worth Society	126,989	66,667	(54,835)	-	-	138,821
Friends of Worth	23,171	34,600	(53,737)	-	-	4,034
Abbey funds	727,321	-	(42)	3,000	-	730,279
Brighton Project	27,523	4,400	(37,793)	37,355	-	31,485
Other funds	6,787	-	(602)	2,827	-	9,012
	<u>2,795,850</u>	<u>105,667</u>	<u>(1,003,609)</u>	<u>1,705,309</u>	<u>-</u>	<u>3,603,217</u>
General Funds	<u>19,308,245</u>	<u>21,558,332</u>	<u>(20,282,426)</u>	<u>4,518,869</u>	<u>(171,358)</u>	<u>24,931,662</u>
Total Unrestricted funds	<u>22,104,095</u>	<u>21,663,999</u>	<u>(21,286,035)</u>	<u>6,224,178</u>	<u>(171,358)</u>	<u>28,534,879</u>
Restricted funds						
Restricted Funds - all funds	-	-	-	(13,475)	-	(13,475)
Bursary Fund	1,031,623	63,048	(4,644)	-	(53,545)	1,036,482
Annual Fund	15,708	81,912	(90,073)	(2,500)	-	5,047
Sports facilities	12,151	-	(50,940)	38,789	-	-
Outreach Peru	648,885	46,865	(288,526)	-	1,733	408,957
6th Form Centre	6,248,998	-	-	(6,248,998)	-	-
Other Funds	25,474	15,030	(25,028)	2,006	-	17,482
	<u>7,982,839</u>	<u>206,855</u>	<u>(459,211)</u>	<u>(6,224,178)</u>	<u>(51,812)</u>	<u>1,454,493</u>
Total of funds	<u>30,086,934</u>	<u>21,870,854</u>	<u>(21,745,246)</u>	<u>-</u>	<u>(223,170)</u>	<u>29,989,372</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Designated funds						
Hardship Fund	123,483	-	-	(123,483)	-	-
Maintenance and capital funds	723,399	-	(50,340)	1,211,000	-	1,884,059
Worth Society	109,565	60,845	(46,415)	2,995	-	126,990
Friends of Worth	35,286	25,561	(43,271)	5,595	-	23,171
Abbey funds	633,023	5,854	(3,361)	91,805	-	727,321
Brighton Project	15,889	-	(44,010)	55,644	-	27,523
Other funds	308	-	(947)	7,426	-	6,787
	<u>1,640,953</u>	<u>92,260</u>	<u>(188,344)</u>	<u>1,250,982</u>	<u>-</u>	<u>2,795,851</u>
General funds	<u>19,256,672</u>	<u>18,796,565</u>	<u>(17,285,574)</u>	<u>(1,234,692)</u>	<u>(224,727)</u>	<u>19,308,244</u>
Total Unrestricted funds	<u>20,897,625</u>	<u>18,888,825</u>	<u>(17,473,918)</u>	<u>16,290</u>	<u>(224,727)</u>	<u>22,104,095</u>
Restricted funds						
Bursary Fund	955,270	133,854	(3,972)	(12,540)	(40,989)	1,031,623
Annual Fund	13,889	80,337	(74,768)	(3,750)	-	15,708
Sports facilities	12,151	-	-	-	-	12,151
Outreach Peru	962,883	14,972	(309,583)	-	(19,387)	648,885
6th Form Centre	6,323,730	12,063	(86,795)	-	-	6,248,998
Other Funds	22,574	23,714	(20,814)	-	-	25,474
	<u>8,290,497</u>	<u>264,940</u>	<u>(495,932)</u>	<u>(16,290)</u>	<u>(60,376)</u>	<u>7,982,839</u>
Total of funds	<u>29,188,122</u>	<u>19,153,765</u>	<u>(17,969,850)</u>	<u>-</u>	<u>(285,103)</u>	<u>30,086,934</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

23. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Designated funds	2,795,850	105,667	(1,003,609)	1,705,309	-	3,603,217
General funds	19,308,245	21,558,332	(20,282,426)	4,518,869	(171,358)	24,931,662
Restricted funds	7,982,839	206,855	(459,211)	(6,224,178)	(51,812)	1,454,493
	<u>30,086,934</u>	<u>21,870,854</u>	<u>(21,745,246)</u>	<u>-</u>	<u>(223,170)</u>	<u>29,989,372</u>

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Designated funds	1,640,953	92,260	(188,344)	1,250,982	-	2,795,851
General funds	19,256,672	18,796,565	(17,285,574)	(1,234,692)	(224,727)	19,308,244
Restricted funds	8,290,497	264,940	(495,932)	(16,290)	(60,376)	7,982,839
	<u>29,188,122</u>	<u>19,153,765</u>	<u>(17,969,850)</u>	<u>-</u>	<u>(285,103)</u>	<u>30,086,934</u>

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	34,292,595	-	34,292,595
Fixed asset investments	3,160,636	1,385,028	4,545,664
Current assets	5,463,643	69,465	5,533,108
Creditors due within one year	(7,854,612)	-	(7,854,612)
Creditors due in more than one year	(6,527,383)	-	(6,527,383)
Total	<u>28,534,879</u>	<u>1,454,493</u>	<u>29,989,372</u>

WORTH ABBEY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	26,374,865	6,196,465	32,571,330
Fixed asset investments	3,323,557	1,531,863	4,855,420
Current assets	5,608,500	254,511	5,863,011
Creditors due within one year	(7,249,895)	-	(7,249,895)
Creditors due in more than one year	(5,952,933)	-	(5,952,933)
Total	<u>22,104,094</u>	<u>7,982,839</u>	<u>30,086,933</u>

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(97,561)	898,813
Adjustments for:		
Depreciation charges	1,235,012	1,039,811
Gains/(losses) on investments	(283,416)	377,063
Dividends, interests and rents from investments	(220,565)	(109,199)
Interest payable	244,650	102,984
Profit on the sale of fixed assets	(5,281)	(5,281)
Increase in stocks	(46,794)	(72,571)
Increase in debtors	(118,982)	(463,088)
Increase in creditors	331,832	1,222,283
Currency translation gains and investment fees	50,799	(67,387)
Net cash provided by operating activities	<u>1,089,694</u>	<u>2,923,428</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

26. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	4,179,492	4,675,171
Total cash and cash equivalents	4,179,492	4,675,171

27. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	New loans £	Loan repayments £	Other non- cash changes £	At 31 August 2023 £
Cash at bank and in hand	4,675,172	(1,815,420)	1,500,000	(180,260)	-	4,179,492
Debt due within 1 year	(932,394)	-	-	180,260	(536,744)	(1,288,878)
Debt due after 1 year	(5,526,401)	-	(1,500,000)	-	536,744	(6,489,657)
	<u>(1,783,623)</u>	<u>(1,815,420)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,599,043)</u>

28. 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 £834,192 (2022: £870,203) and at the year-end £95,176 (2022: £96,454) 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 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

28. Pension commitments (continued)

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The charity makes defined contributions to a group personal pension scheme for its non-teaching staff and new teaching staff not in TPS. Contributions to this scheme in the year amounted to £354,065 (2022: 274,606).

29. Capital commitments

At the year end the Group had no capital commitments.

30. 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.

	Group 2023 £	Group 2022 £
Not later than 1 year	149,607	129,428
Later than 1 year and not later than 5 years	167,177	65,557
	<u>316,784</u>	<u>194,985</u>

WORTH ABBEY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

31. 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 £199 for food and travel expenditure incurred whilst travelling on school business (2022: £Nil). 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 £1,441,217 (2022: £3,391,176) in the year and passed goods and services to Worth Abbey valued at £2,432,247 (2022: £2,117,577) in the year. Goods and services valued at £358,998 (2022: £137,683) were transferred to Worth Abbey Projects Ltd.

In addition to these transactions, Worth School leased land and buildings from Worth Abbey for £1,077,633 (2022: £1,028,276). Worth Abbey also purchased goods and services from Worth Abbey Projects Ltd to the value of £66,975 (2022: £21,028) on a basis that is equivalent to that paid by other customers of Worth Abbey Projects Ltd.