

REGISTERED COMPANY NUMBER: 07469311 (England and Wales)
REGISTERED CHARITY NUMBER: 1140918

**Financial Statements
for the Year Ended
31 December 2020**

for

**Launde Abbey Trust
(A Company Limited by Guarantee)**

The Rowleys Partnership Ltd
Statutory Auditors
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

Launde Abbey Trust

**Contents of the Financial Statements
for the Year Ended 31 December 2020**

	Page
Reference and Administrative Details	1
Chair's Statement	2 to 3
Report of the Trustees	4 to 9
Report of the Independent Auditors	10 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 39

Reference and Administrative Details
for the Year Ended 31 December 2020

TRUSTEES	Ms J A Page Chair of Church Buildings Council (appointed as a Trustee 16.9.20 and as Chair of Trustees 29.1.21) Right Revd Dr G Francis-Dehqani Bishop Of Loughborough (resigned 29.1.21) Mr S J H Bentley Project Director Canon Dr S K Burns Minister Of Religion (resigned 10.7.20) Ms J Cotton (nee Merson) Accountant (resigned 2.2.20 and re-appointed 7.5.20) The Very Revd C C Dalliston Dean Of Peterborough Revd S R Griffiths Rector of the Oakham Team Ministry Mr T R S Jackson Consultant (resigned 20.2.20) Mr J W Kerry Diocesan Chief Executive Mr D J Palmer Retired Civil Servant (appointed 14.2.20) Mr A F Trotter Retired Estates Manager Mrs M V Wang Business Consultant (Corporate Governance and Ethics) Revd R H Woodall Chaplain To The Bishop Of Leicester
REGISTERED OFFICE	Launde Abbey Launde Road East Norton Leicester LE7 9XB
REGISTERED COMPANY NUMBER	07469311 (England and Wales)
REGISTERED CHARITY NUMBER	1140918
WARDEN	The Ven D Newman
BUSINESS MANAGER	Mr I Andrews
AUDITORS	The Rowleys Partnership Ltd Statutory Auditors Chartered Accountants Charnwood House Harcourt Way Meridian Business Park Leicester Leicestershire LE19 1WP

**Chair's Statement
for the Year Ended 31 December 2020**

Launde Abbey, an iconic historic site, operates as a Christian Retreat House and Conference Centre within the Anglican tradition, but with ecumenical outreach. The Abbey is set geographically within Leicester Diocese but close to the boundary with Peterborough Diocese; both Dioceses make good use of it. Launde is also a significant feature on the spiritual landscape of the national church, welcoming people and groups from all parts of the country. The Abbey sits within the deanery of Launde and the Warden acts as incumbent of the church in nearby Loddington.

Launde's principal purpose is articulated as "A place to encounter God, refreshing spirits, inspiring minds and transforming lives" and it seeks to realise this through offering hospitality for individual and group retreats, courses and meetings, undergirded by a regular rhythm of shared prayer and worship. Ministry is delivered directly through the Launde Programme of retreats and courses which are offered across the year. The Abbey also provides a base of Christian hospitality for groups running their own programmes, making use of Launde staff and facilities to realise their aims. There is a growing ministry of spiritual direction and support for individuals who come to Launde for their own growth, learning and refreshment.

2020 was an extremely challenging year, dominated by the Covid pandemic still in train. From the first lockdown starting on 23 March, Launde was closed until the beginning of August and then had to operate with social distancing protocols in place which significantly reduced capacity. We were then forced to close again at the beginning of November for the rest of the year, first for the national lockdown, and then because the whole of Leicestershire was placed in Tier 3.

We were thus closed through some of the traditionally busiest months and the financial impact was large. A budgeted surplus for the year of £15,582 after scheduled refurbishments turned into a £256,435 deficit before exceptional income/expenditure. Fortunately reserves had been built up over three good preceding years and the support provided by the Government's furlough scheme allowed the Trust to continue to pay staff in full with only a small number of retirement/ redundancy issues.

When open, although our hospitality to groups was inevitably affected by number restrictions, we attracted a high number of private retreatants such that in spite of the months of closure the annual budget line for that category was met. We also sought to extend our season of outdoor café use by erecting several marquees over the courtyard. A huge amount of preparation was required to make the site Covid secure. A comprehensive document "Keeping You Safe" was put on the website and sent to all guests and the feedback indicated that guests felt very safe when they came. We were pleased that the document found favour as a template by a number of other venues.

New opportunities also emerged even in the midst of the pandemic. The first was the development of online ministry. The first retreat after closing was pre-recorded and put on the website and received an astonishing amount of interest with an average of a thousand viewings a day. Since then we have created a number of retreats, Quiet Days and courses online, with a mixture of pre-recorded material or live input on Zoom. This has enabled some ministry to continue, has kept our profile alive and developed links with people who might never have been able to come to Launde through inability to travel, distance or expense. The Trustees will be examining how online ministry can continue beyond the full resumption of live events at Launde.

**Chair's Statement (continued)
for the Year Ended 31 December 2020**

Having the house closed from November enabled a number of maintenance jobs to be planned and accomplished, including a complete renewal and refurbishment of the Stables windows, the redecoration of a number of rooms and addressing issues with the boilers and heating system. A major structural problem was uncovered in the Oak Room ceiling, corrective work was completed before we re-opened in May 2021.

A less fortunate consequence of the pandemic was the delay in implementation of a 2019 Staffing and Structures Review, designed to improve the co-ordination and efficient operation of Launde's many teams (some supplemented by the time and skills of volunteers) i.e., clergy, business management, marketing, finance, dining room, housekeeping, bookings and reception, and gardening. However, towards the end of the year, in advance of the still deferred employment of an operations manager, the warden introduced an interim management structure including new supervision for some of the teams. The deputy warden, Revd Chris Webb, had his hours extended to nearly full time and assumed the additional role of marketing and publicity. Since the year end, the senior management team has been strengthened by the appointment of a consultant operations manager, Stephen Adshead, who is working with Ian Andrews, the business manager, under the leadership of the warden. They, together with the deputy warden and the accountant, Elizabeth Smith, constitute the warden's senior team. Also in year, a new chaplain, Revd Claire Goode, was appointed.

One non-Covid related challenge that emerged in the middle of the year was the re-opening of a motorcross track on farmland near the Abbey. This would have been hugely detrimental to the ambience of a Retreat House and to the experience of guests coming for quiet retreat and prayer, as well as offensive to nearby villages. A local action group was quickly formed, and many Friends of Launde wrote to the relevant authorities to protest at such a development. Fortunately noise levels were found to be unacceptable when monitored by Harborough District Council and further events have not materialised.

In early December, Trustees learned that Bishop Guli Francis Dehqani had been appointed Bishop of Chelmsford and would therefore be resigning in January as Chair of Trustees. Her guidance and leadership will be sadly missed. The Bishop of Leicester asked me to act as interim Chair for the coming year. Further changes lie ahead, as the warden will be retiring in August 2021 after four and a half years of service. He and Revd Helen Newman have made an outstanding contribution to the wellbeing of Launde and all who visit and work here. The Trustees appointed in succession Revd Canon Alison Myers in a process that should ensure a smooth handover.

2020 therefore was an eventful, challenging and difficult year, but Launde has proved to be resilient in the face of it. Those staff not on furlough have worked hard to keep Launde functioning and Trustees are extremely grateful to them for their efforts, although we have missed the usual very enthusiastic contribution of our volunteers to various activities at Launde. The Friends of Launde Abbey have continued to raise money to enable some key projects to be financed and to contribute their time in other practical ways. The number of guests wanting to come to Launde in the short periods we were open in 2020, and the level of advance bookings for mid-late 2021 bode well for the future.

The Trustees and management of the Abbey remain committed to enhancing the hospitable and prayerful environment of Launde, by care for the historic buildings and landscapes and by continuing improvement to the service offered to visitors.

Ms J A Page CBE
Chair of Trustees

30 July 2021

**Report of the Trustees
for the Year Ended 31 December 2020**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The Trustees have adopted the provisions of 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 statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The advancement of the Christian faith mainly, but not exclusively, by encouraging, developing and co-ordinating opportunities for growth in prayer, mission and spiritually within the Dioceses of Leicester and Peterborough.

The advancement of the Christian faith both within and outside the Dioceses of Leicester and Peterborough by providing a welcome and retreat house for members of the public wishing to worship and/or wishing to contemplate the Christian faith.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Fundraising

The charity does not actively fundraise.

**Report of the Trustees
for the Year Ended 31 December 2020**

FINANCIAL REVIEW

The financial performance of the charity may be summarised as follows;

	2020 £	2019 £
Income from ordinary activities	350,369	955,884
Expenditure on ordinary operations	(593,738)	(902,020)
	<hr/> (243,369)	<hr/> 53,864
Covid - Hospitality grants	29,000	-
Covid - Job Retention Scheme grants	139,172	-
Covid - cost of furloughed staff	(181,903)	-
	<hr/> (257,100)	<hr/> 53,864
Net (deficit)/surplus before exceptional items		
Donations received towards replacement stables windows	37,000	-
Donation from Lt Col JD Player Memorial Trust	48,373	-
Donation received re Shepherd's Huts	-	25,000
Donation received re new pathway	-	21,988
Legacies received	34,413	161,000
Renewable Heat Incentive (RHI) revenue grant received	12,626	24,821
Pension deficit adjustment under FRS 102	(1,000)	24,000
	<hr/> (125,688)	<hr/> 310,673
Net surplus for the year		

At the beginning of the year the bookings held suggested that the income on ordinary activities for 2020 would be similar to that for 2019. Unsurprisingly, as a result of Covid this has not been achieved.

The primary elements of income from ordinary activities comprise retreat and spiritual direction income £254,927 (2019 £787,980), fundraising income £3,266 (2019 £72,569) and donations received £85,529 (2019 £83,493).

Donations have not fallen as drastically as other sources of income for two reasons. Firstly many of Launde's guests either made a direct donation or allowed Launde to retain as a donation the deposits they had paid in respect of events which were cancelled. The second factor is the donation received from the trading subsidiary Launde Abbey Enterprises Limited of £45,459 (2019 £59,000). Although £45,459 was received during 2020 £20,459 of this is in respect of the trading profit generated by Launde Abbey Enterprises during 2019. The surplus generated by Launde Abbey Enterprises Ltd during 2020 is considerably lower than in 2019 which will impact the donation receivable by Launde Abbey Trust in 2021.

**Report of the Trustees
for the Year Ended 31 December 2020**

FINANCIAL REVIEW (continued)

The government support through the Hospitality grants and the Job Retention Scheme have been invaluable in allowing the charity to retain almost all of its staffing team. This support amounted to £168,172 during 2020 and is ongoing in 2021.

Exceptional Items

During the year it was decided to take advantage of Launde Abbey being closed and tackle projects which are difficult to undertake when the house and grounds are open. One major project was the replacement/repair of all the windows and doors in the stable block. Donations totalling £37k were received including £12,000 from the Friends of Launde Abbey. These provided a significant contribution towards the costs incurred.

The Lt Col JD Player Memorial Trust was wound up during 2020 and as part of that process donated £48,373 to Launde Abbey. The Trustees of that Trust advised that the funds could be used for any purpose but if possible they would prefer it to be used for the development of the property at Launde.

Although Launde Abbey periodically receives legacies those received during 2019 were exceptional. Legacies received during 2020 are significantly lower at £34,413 but this is still a substantial amount.

Launde is very grateful to everyone who makes a contribution towards the upkeep of Launde Abbey whether this is through one off donations, regular giving, a legacy or via The Friends of Launde Abbey.

For several years a significant proportion of the heating at Launde Abbey has been generated by a Biomass Boiler powered by wood pellets from renewable sources. During 2020 RHI payments amounting to £12,626 (2019 £24,821) were received. The amount received has fallen as a result of Launde being closed for several months during which the heating was turned down. Provided that Launde Abbey continues to comply with the eligibility criteria the RHI is receivable until March 2033.

Launde Abbey participates in a defined benefit pension scheme, the Church of England Funded Pension Scheme. Following the actuarial valuation as at 31 December 2018 a deficit funding plan was put into place until 31 December 2022. Under FRS 102 Launde Abbey is required to make full provision for the deficit funding contributions payable under this arrangement in relation to all active employees regardless of their length of service with Launde Abbey. After allowing for deficit funding contributions paid during the year an increase of £1,000 was advised as being necessary to the liability as at 31 December 2020.

Reserves policy

The Trust's policy on reserves is to achieve an operating reserve of at least three months expenses in addition to a reserve of £250k to fund significant future repairs to the property.

Expenses vary according to the level of activity in each year, in particular the scheduled and unscheduled repair and refurbishment costs incurred in maintaining the facilities.

The target value for reserves is based on 2019 as 2020 was such an unusual year and it is hoped that eventually activity levels will return to those achieved during 2019.

For the year ended 31 December 2019 three months expenses amounted to £226k.

Under the loan agreement signed on 31 December 2018, the loan from Leicester Diocesan Board of Finance can now be added back when calculating the Trust's reserves as any repayment will only be made from the sale proceeds of any property disposal, which is unlikely in the foreseeable future.

**Report of the Trustees
for the Year Ended 31 December 2020**

FINANCIAL REVIEW (continued)

Reserves policy (continued)

As at 31 December 2019 the charity was nearing its target level of reserves. Unsurprisingly the losses incurred as a result of Covid have had a significant impact on general reserves which by December 2020 had been reduced to £2k. At first sight this sounds like a potential issue however the funds designated for property maintenance and development amounted to £252k as at 31 December 2020. As these are designated funds they can be released by the Trustees for general running costs if required. These funds are considered sufficient to allow Launde to operate through the challenging conditions anticipated in the short term.

It is going to take many years to accumulate general reserves of circa £226k and a property fund of £250k but the last 18 months have shown the importance of holding these reserves. We look forward to being able to operate without restrictions on capacity and rebuilding our business and our reserves to safeguard Launde's future for the long term.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The original Launde Abbey Trust was founded by deed on 12 December 1957. The founder, Cecil Rawlins Coleman, gave land and premises known as Launde Abbey in the County of Leicester, together with funds and investments for maintenance and upkeep of the premises, on trust to be used for the purposes including a retreat house and a conference and training centre, in order to promote and further the work of the Church of England in the Diocese of Leicester.

The present Trust is in the form of a company limited by guarantee with charitable status and was formed on 10 December 2010. All assets and liabilities of the original Launde Abbey Trust were transferred to the new company on 1 January 2011 apart from the investment in the subsidiary Launde Abbey Enterprises Limited which was transferred during 2012.

**Report of the Trustees
for the Year Ended 31 December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new Trustees

The Trust's policy with regard to the selection and appointment of new Trustees is for suitable persons within the Dioceses of Leicester and Peterborough to be identified with a view to selecting them for appointment depending on the skills that they can offer and how these match the skill gaps identified within the existing body of Trustees. In making appointments a balance between ordained and lay persons will be maintained. New appointments will be made by the Bishop of Leicester in consultation with the Chair of the Board.

The Trust's Risk Assessment requires that appropriate training for Trustees will be identified. New Trustees will be assessed for training requirements, including general induction, early in their appointment.

Organisational structure

The management of the Charity is the responsibility of the Trustees who are elected under the terms of the Trust Deed. The names of the Trustees who have acted during the year are given in the Reference and Administrative Details page along with other relevant information.

The Warden has overall responsibility for the affairs of the Abbey and reports to the Chair of the Board. The Business Manager has responsibility for the administration and financial affairs and reports to the Warden.

Key management remuneration

Senior management remuneration is set at the level which will attract and retain appropriately experienced staff. Annual pay rises for the clergy team are in line with those recommended by the Church of England. Pay rises for other senior management personnel follow those of the clergy team.

Third party indemnity insurance

Launde Abbey pays third party liability insurance in respect of the Trustees and senior management. The cost of the insurance for the year is £661 (2019: £551).

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate the major risks.

The primary risks identified are long term financial sustainability and significant loss or damage to the historic property from which the Charity operates.

In order to ensure that the Charity has the funds available to maintain the fabric of the building and therefore continues to operate in the long term, the charity needs to generate a surplus on a regular basis. In order to achieve this the content and timing of the Programme offered is continually reviewed in order to optimise use of the facilities available throughout the year. Potential new activities are also investigated and costs continue to be carefully controlled.

The risk to the property from fire or other disaster is covered by a comprehensive insurance policy which is reviewed in conjunction with the insurers on an annual basis.

**Report of the Trustees
for the Year Ended 31 December 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Launde Abbey Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, The Rowleys Partnership Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 30 July 2021 and signed on its behalf by:

Ms J A Page - Trustee

Opinion

We have audited the financial statements of Launde Abbey Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our 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 a Report of the Independent Auditors 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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (UK Generally Accepted Accounting Practice, the Companies Act 2006), the Charities Act 2011 and the relevant tax compliance regulations in the jurisdiction in which the charity operates. We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;

We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;

Our testing considered unusual or unexpected journal entries on a sample basis;

We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;

We tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the charity's normal activities;

We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework and the relevant tax compliance regulations specific to the entity.

We reviewed the financial statements and tested the disclosures against supporting documentation;

We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Launde Abbey Trust**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

R J Radford FCA (Senior Statutory Auditor)
for and on behalf of The Rowleys Partnership Ltd
Statutory Auditors
Chartered Accountants
Charnwood House
Harcourt Way
Meridian Business Park
Leicester
Leicestershire
LE19 1WP

Date: 30 July 2021

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2020**

	Notes	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	164,970	40,320	205,290	295,810
Charitable activities	6				
Spiritual direction and retreats		254,927	-	254,927	787,980
Other trading activities	4	6,926	-	6,926	77,107
Investment income	5	2,316	695	3,011	2,975
Other income	7	180,799	-	180,799	24,821
Total		609,938	41,015	650,953	1,188,693
EXPENDITURE ON					
Raising funds	8	800	-	800	28,464
Charitable activities	9				
Costs of operation of Launde Abbey		770,937	3,904	774,841	873,556
Total		771,737	3,904	775,641	902,020
NET INCOME/(EXPENDITURE)		(161,799)	37,111	(124,688)	286,673
Transfers between funds	23	37,899	(37,899)	-	-
		(123,900)	(788)	(124,688)	286,673
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		(1,000)	-	(1,000)	24,000
Net movement in funds		(124,900)	(788)	(125,688)	310,673
RECONCILIATION OF FUNDS					
Total funds brought forward		3,685,883	9,268	3,695,151	3,384,478
TOTAL FUNDS CARRIED FORWARD		<u>3,560,983</u>	<u>8,480</u>	<u>3,569,463</u>	<u>3,695,151</u>

The notes form part of these financial statements

Balance Sheet
31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	16	4,169,315	-	4,169,315	4,113,336
Investments	17	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		4,169,316	-	4,169,316	4,113,337
CURRENT ASSETS					
Stocks	18	5,546	-	5,546	8,423
Debtors	19	37,781	-	37,781	39,790
Cash at bank and in hand	20	<u>716,049</u>	<u>8,480</u>	<u>724,529</u>	<u>625,389</u>
		759,376	8,480	767,856	673,602
CREDITORS					
Amounts falling due within one year	21	<u>(494,123)</u>	<u>-</u>	<u>(494,123)</u>	<u>(210,418)</u>
NET CURRENT ASSETS		<u>265,253</u>	<u>8,480</u>	<u>273,733</u>	<u>463,184</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,434,569	8,480	4,443,049	4,576,521
CREDITORS					
Amounts falling due after more than one year	22	<u>(865,586)</u>	<u>-</u>	<u>(865,586)</u>	<u>(867,370)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES		3,568,983	8,480	3,577,463	3,709,151
PENSION LIABILITY	24	<u>(8,000)</u>	<u>-</u>	<u>(8,000)</u>	<u>(14,000)</u>
NET ASSETS		<u>3,560,983</u>	<u>8,480</u>	<u>3,569,463</u>	<u>3,695,151</u>
FUNDS	23				
Unrestricted funds				3,560,983	3,685,883
Restricted funds				<u>8,480</u>	<u>9,268</u>
TOTAL FUNDS				<u>3,569,463</u>	<u>3,695,151</u>

The notes form part of these financial statements

Balance Sheet - continued
31 December 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 July 2021 and were signed on its behalf by:

Ms J A Page - Chair of Trustees

Mr J W Kerry - Trustee

**Cash Flow Statement
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	<u>180,767</u>	<u>324,414</u>
Net cash provided by operating activities		<u>180,767</u>	<u>324,414</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(84,638)	(86,636)
Interest received		<u>3,011</u>	<u>2,975</u>
Net cash used in investing activities		<u>(81,627)</u>	<u>(83,661)</u>
Change in cash and cash equivalents in the reporting period		99,140	240,753
Cash and cash equivalents at the beginning of the reporting period		<u>625,389</u>	<u>384,636</u>
Cash and cash equivalents at the end of the reporting period		<u><u>724,529</u></u>	<u><u>625,389</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20 £	31.12.19 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(124,688)	286,673
Adjustments for:		
Depreciation charges	28,659	24,922
Interest received	(3,011)	(2,975)
Decrease/(increase) in stocks	2,877	(4,627)
Decrease in debtors	2,009	2,549
Increase in creditors	281,921	23,872
Difference between pension charge and cash contributions	(7,000)	(6,000)
Net cash provided by operations	<u>180,767</u>	<u>324,414</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>625,389</u>	<u>99,140</u>	<u>724,529</u>
	<u>625,389</u>	<u>99,140</u>	<u>724,529</u>
Total	<u>625,389</u>	<u>99,140</u>	<u>724,529</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

Launde Abbey Trust is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Fees for retreats, accommodation and meals are all included in incoming resources in the period in which the guests stay at Launde Abbey.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Collections, donations and grants are accounted for when they are received or committed.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Income

Government grants

Government grants receivable in relation to the job retention scheme and hospitality scheme are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants are shown separately as other income.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Tangible fixed assets

The original gift of Launde Abbey was not capitalised due to the Abbey's historic nature. Subsequent significant expenditure on additions and improvements to the land and buildings are capitalised.

A valuation of the property was carried out in December 2014. An impairment provision was made in the 2014 accounts to reduce the carrying value of the land and buildings.

Apart from land and buildings, tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	Nil
Freehold property	-	Nil, the Trustees consider that the residual value of the freehold building is equal to the cost stated in the financial statements
House furniture and fittings	-	10% - 20% per annum on cost
Stables furniture and fittings	-	20% per annum on cost
Other equipment	-	10% - 20% per annum on cost

Freehold land and property is subject to an annual impairment review by the Trustees.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates two defined benefit pension schemes. The schemes are multi-employer schemes where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS 102 'Retirement Benefits', the charity accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating Income and Expenditure Account represents contributions payable to the scheme in respect of the accounting period.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Concessionary loan

The concessionary loan is recognised in the financial statements at the amount advanced to the charity. If the charity sells part or all of Launde Abbey a proportion of the proceeds will be repayable against the loan. Due to the terms of the loan, the loan is presented as due after more than one year until such time that it becomes evident that the charity intends to make a sale. There are currently no plans for any disposals.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand and cash on deposit.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Associated fund

"The Friends of Launde" is an independent charity, registration number 519042, established to provide financial assistance to Launde Abbey Trust. It is administered by an executive committee and although Launde Abbey Trust is represented on it, it does not control it. Grants from The Friends of Launde are made towards specific items; they are accounted for when they are received or committed and are included as restricted funds.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Public benefit entity concessionary loans are initially measured at the amount received. In subsequent years the carrying amount of the concessionary loans are adjusted to reflect any accrued interest payable, repayments and impairments.

Investments

The investment in the wholly owned subsidiary, Launde Abbey Enterprises Limited, registration number 03875917, is included at cost.

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Chapel collections	640	-	640	4,329
Donations	129,917	40,320	170,237	130,481
Legacies	34,413	-	34,413	161,000
	<u>164,970</u>	<u>40,320</u>	<u>205,290</u>	<u>295,810</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Other income	478	-	478	344
Estate income	3,182	-	3,182	4,194
Fundraising events	<u>3,266</u>	<u>-</u>	<u>3,266</u>	<u>72,569</u>
	<u>6,926</u>	<u>-</u>	<u>6,926</u>	<u>77,107</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Deposit account interest	<u>2,316</u>	<u>695</u>	<u>3,011</u>	<u>2,975</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31.12.20 £	31.12.19 £
Spiritual direction and retreats	<u>254,927</u>	<u>787,980</u>

7. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Renewable Heating Incentive	12,626	-	12,626	24,821
Coronavirus Job Retention Scheme grant	139,173	-	139,173	-
Hospitality grant	<u>29,000</u>	<u>-</u>	<u>29,000</u>	<u>-</u>
	<u>180,799</u>	<u>-</u>	<u>180,799</u>	<u>24,821</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

8. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
Fundraising events costs	<u>800</u>	<u>-</u>	<u>800</u>	<u>28,464</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £
Costs of operation of Launde Abbey	<u>774,841</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.20 £	31.12.19 £
Staff costs	531,123	520,661
Food and household expenses	24,217	90,667
Auditor's remuneration	5,100	5,991
Light and heat	48,309	61,859
Insurance, rates and council tax	24,624	26,936
Repairs, maintenance, grounds and upkeep	59,480	67,593
Stationery, telephone and sundries	23,548	27,971
Computer expenses	8,564	9,737
Health and safety	1,955	1,777
Staff training	249	905
Advertising	10,619	15,762
Recruitment expenses	1,389	1,127
Transport	134	2,069
Sundry expenses	934	1,588
Direction of retreats	5,937	13,991
Depreciation	<u>28,659</u>	<u>24,922</u>
	<u>774,841</u>	<u>873,556</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20 £	31.12.19 £
Depreciation - owned assets	<u>28,659</u>	<u>24,922</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

No Trustees were reimbursed (2019: Two Trustees were reimbursed £581) in respect of travel expenses.

Trustees' indemnity insurance of £661 (2019: £551) was paid during the year.

13. STAFF COSTS

	31.12.20 £	31.12.19 £
Wages and salaries	480,953	467,583
Social security costs	20,025	24,647
Other pension costs	<u>30,145</u>	<u>28,431</u>
	<u>531,123</u>	<u>520,661</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Employees	<u>39</u>	<u>37</u>

Average headcount expressed as a full time equivalent:

	31.12.20	31.12.19
	<u>23</u>	<u>23</u>

No employees received emoluments in excess of £60,000.

Included in wages and salaries above are agency and self employed personnel costs of £Nil (2019: £12,317).

The Warden of Launde is also Priest in Charge of St Michael and All Angels, Loddington. The Warden's stipend and other employment costs are paid by the Trust. The Diocese makes a contribution in recognition of the Warden's ministry at Loddington.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

13. STAFF COSTS - continued

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the Trust. The key management personnel of the Charity comprise the Warden, Business Manager and Front of House Manager. The total employee benefits of the key management personnel of the Charity amounted to £123,575 (2019: £122,727).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	238,073	57,737	295,810
Charitable activities			
Spiritual direction and retreats	787,980	-	787,980
Other trading activities	77,107	-	77,107
Investment income	2,975	-	2,975
Other income	24,821	-	24,821
Total	1,130,956	57,737	1,188,693
EXPENDITURE ON			
Raising funds	28,444	20	28,464
Charitable activities			
Costs of operation of Launde Abbey	868,561	4,995	873,556
Total	897,005	5,015	902,020
NET INCOME	233,951	52,722	286,673
Transfers between funds	65,531	(65,531)	-
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	24,000	-	24,000
Net movement in funds	323,482	(12,809)	310,673

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	3,362,401	22,077	3,384,478
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u><u>3,685,883</u></u>	<u><u>9,268</u></u>	<u><u>3,695,151</u></u>

15. AUDITORS' REMUNERATION

The amount payable to the auditor for audit services amounted to £5,100 (2019: £5,880) and other services of £Nil (2019: £Nil). There was also an amount of £Nil (2019: £111) paid to the previous auditor during the year.

16. TANGIBLE FIXED ASSETS

	Freehold Land and property £	House Furniture and Fittings £	Stable Furniture and fittings £
COST			
At 1 January 2020	4,089,358	177,710	65,819
Additions	-	-	72,577
	<hr/>	<hr/>	<hr/>
At 31 December 2020	<u>4,089,358</u>	<u>177,710</u>	<u>138,396</u>
DEPRECIATION			
At 1 January 2020	139,358	148,230	48,287
Charge for year	-	7,542	5,140
	<hr/>	<hr/>	<hr/>
At 31 December 2020	<u>139,358</u>	<u>155,772</u>	<u>53,427</u>
NET BOOK VALUE			
At 31 December 2020	<u><u>3,950,000</u></u>	<u><u>21,938</u></u>	<u><u>84,969</u></u>
At 31 December 2019	<u><u>3,950,000</u></u>	<u><u>29,480</u></u>	<u><u>17,532</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

16. TANGIBLE FIXED ASSETS - continued

	Other equipment £	Stretcher Christ £	Totals £
COST			
At 1 January 2020	125,288	24,972	4,483,147
Additions	<u>12,061</u>	<u>-</u>	<u>84,638</u>
At 31 December 2020	<u>137,349</u>	<u>24,972</u>	<u>4,567,785</u>
DEPRECIATION			
At 1 January 2020	33,936	-	369,811
Charge for year	<u>15,977</u>	<u>-</u>	<u>28,659</u>
At 31 December 2020	<u>49,913</u>	<u>-</u>	<u>398,470</u>
NET BOOK VALUE			
At 31 December 2020	<u>87,436</u>	<u>24,972</u>	<u>4,169,315</u>
At 31 December 2019	<u>91,352</u>	<u>24,972</u>	<u>4,113,336</u>

The freehold property was valued at £3,950,000 by James Blenkin & Partners in December 2014. The historical cost of this property is £4,089,358 (excluding the original gift of the Abbey).

17. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
MARKET VALUE	
At 1 January 2020 and 31 December 2020	<u>1</u>
NET BOOK VALUE	
At 31 December 2020	<u>1</u>
At 31 December 2019	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

17. FIXED ASSET INVESTMENTS - continued

Launde Abbey Enterprises Limited (Company no. 03875917)

Registered office: Launde Abbey, Launde Road, East Norton, Leicestershire LE7 9XB

Nature of business: Trading activities

Class of share:	% holding		
Ordinary	100	31.12.20 £	31.12.19 £
Aggregate capital and reserves		17,786	20,459
Profit for the year		<u>42,786</u>	<u>79,458</u>

18. STOCKS

	31.12.20 £	31.12.19 £
Stocks	<u>5,546</u>	<u>8,423</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	2,722	19,081
Prepayments and accrued income	<u>35,059</u>	<u>20,709</u>
	<u>37,781</u>	<u>39,790</u>

20. CASH AT BANK AND IN HAND

	31.12.20 £	31.12.19 £
Cash in hand	424	553
Notice deposits (less than 3 months)	<u>724,105</u>	<u>624,836</u>
	<u>724,529</u>	<u>625,389</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Fees received in advance	35,319	81,715
Amounts owed to group undertakings	86,283	63,435
Social security and other taxes	2,821	8,569
Other creditors	338,810	38,899
Accruals and deferred income	<u>30,890</u>	<u>17,800</u>
	<u>494,123</u>	<u>210,418</u>

Other creditors includes a permanent endowment donation of £280,029 received during the year. This is being held on trust for another charity which is in the process of being set up.

Fees received in advance:

	2020	2019
	£	£
Deferred income at 1 January	83,947	145,830
Resources deferred during the year	35,768	83,947
Amounts released from previous years	<u>(83,947)</u>	<u>(145,830)</u>
Deferred income at 31 December	<u>35,768</u>	<u>83,947</u>

Fees received in advance are released when Spiritual Retreats take place, which will be £35,320 in the next financial year and £448 in the following year.

22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Fees received in advance	448	2,232
Loan from Leicester Diocesan Board of Finance	<u>865,138</u>	<u>865,138</u>
	<u>865,586</u>	<u>867,370</u>

The loan from Leicester Diocesan Board of Finance (LDBF) is treated as a public benefit entity concessionary loan. The loan is included in the accounts at the amount originally advanced inclusive of accrued interest payable on the original loan.

A new agreement, consolidating earlier loans, was signed on 31 December 2018. The loan is secured on the property. The loan is only repayable in the event of a partial or complete disposal of the property. No interest accrues on the loan but on disposal the following repayments fall due:

Part disposal - Value of repayment is the lower of 21.89% of the valuation of the part (net of professional fees agreed by the LDBF as part of the approval to sell) or the net capital £865,138. If the sale is to a charitable purchaser then the LDBF has discretion to agree to a lesser amount to be repaid.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

Total disposal - Value of repayment is the higher of 21.89% of the valuation of the part (net of professional fees agreed by the LDBF as part of the approval to sell) or the net capital of £865,138. If the sale is to a charitable purchaser then the LDBF has discretion to agree to a lesser amount to be repaid.

23. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	3,485,870	(245,160)	64,922	3,305,632
St John's Chapel fund	2,689	(425)	-	2,264
Repair and maintenance fund	24,418	-	(24,418)	-
Specific projects	172,406	34,413	(2,605)	204,214
Holy Listening	500	-	-	500
Property development fund	-	48,373	-	48,373
	<u>3,685,883</u>	<u>(162,799)</u>	<u>37,899</u>	<u>3,560,983</u>
Restricted funds				
Staff fund	836	(715)	-	121
Bursary fund	-	(601)	601	-
GEMS fund	259	-	-	259
St Augustine's Chapel fund	2,078	(759)	-	1,319
Schools project	6,095	-	-	6,095
Courtyard paving	-	1,500	(1,500)	-
Fruit trees	-	100	-	100
Replacement windows in stables	-	37,000	(37,000)	-
Bursary - Diocese of Leicester	-	586	-	586
	<u>9,268</u>	<u>37,111</u>	<u>(37,899)</u>	<u>8,480</u>
TOTAL FUNDS	<u><u>3,695,151</u></u>	<u><u>(125,688)</u></u>	<u><u>-</u></u>	<u><u>3,569,463</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	526,512	(770,672)	(1,000)	(245,160)
St John's Chapel fund	640	(1,065)	-	(425)
Specific projects	34,413	-	-	34,413
Property development fund	48,373	-	-	48,373
	609,938	(771,737)	(1,000)	(162,799)
Restricted funds				
Staff fund	1,400	(2,115)	-	(715)
Bursary fund	-	(601)	-	(601)
St John's Chapel	100	(100)	-	-
St Augustine's Chapel fund	-	(759)	-	(759)
Courtyard paving	1,500	-	-	1,500
Fruit trees	100	-	-	100
Reopening costs	100	(100)	-	-
Replacement windows in stables	37,000	-	-	37,000
Zoom licence	120	(120)	-	-
Bursary - Diocese of Leicester	695	(109)	-	586
	41,015	(3,904)	-	37,111
TOTAL FUNDS	<u>650,953</u>	<u>(775,641)</u>	<u>(1,000)</u>	<u>(125,688)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
General fund	3,316,105	93,180	76,585	3,485,870
St John's Chapel fund	122	2,567	-	2,689
Repair and maintenance fund	24,418	-	-	24,418
Stretcher Christ fund	4,719	704	(5,423)	-
Specific projects	17,037	161,000	(5,631)	172,406
Holy Listening	-	500	-	500
	<u>3,362,401</u>	<u>257,951</u>	<u>65,531</u>	<u>3,685,883</u>
Restricted funds				
Staff fund	861	(25)	-	836
Stretcher Christ fund	15,988	-	(15,988)	-
Greenhouse roof refurbishment	233	(233)	-	-
Renovating The Stations of The Cross	103	(103)	-	-
GEMS fund	259	-	-	259
St Augustine's Chapel fund	2,078	-	-	2,078
WiFi and flooring	2,555	-	(2,555)	-
Schools project	-	6,095	-	6,095
Pathway between house and stables	-	21,988	(21,988)	-
Shepherd's Huts	-	25,000	(25,000)	-
	<u>22,077</u>	<u>52,722</u>	<u>(65,531)</u>	<u>9,268</u>
TOTAL FUNDS	<u><u>3,384,478</u></u>	<u><u>310,673</u></u>	<u><u>-</u></u>	<u><u>3,695,151</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	964,423	(895,243)	24,000	93,180
St John's Chapel fund	4,329	(1,762)	-	2,567
Stretchers Christ fund	704	-	-	704
Specific projects	161,000	-	-	161,000
Holy Listening	500	-	-	500
	<u>1,130,956</u>	<u>(897,005)</u>	<u>24,000</u>	<u>257,951</u>
Restricted funds				
Staff fund	3,285	(3,310)	-	(25)
Bursary fund	44	(44)	-	-
St John's Chapel	550	(550)	-	-
Greenhouse roof refurbishment	-	(233)	-	(233)
Renovating The Stations of The Cross	-	(103)	-	(103)
Follow the Star	350	(350)	-	-
Costs of 900th anniversary	20	(20)	-	-
Schools project	6,500	(405)	-	6,095
Pathway between house and stables	21,988	-	-	21,988
Shepherd's Huts	25,000	-	-	25,000
	<u>57,737</u>	<u>(5,015)</u>	<u>-</u>	<u>52,722</u>
TOTAL FUNDS	<u>1,188,693</u>	<u>(902,020)</u>	<u>24,000</u>	<u>310,673</u>

Designated funds

Repair and maintenance fund

To receive collections to contribute towards any repairs or maintenance around the Abbey.

Specific projects

Legacy received which the Trustees deemed should be used for specific projects and not just absorbed into the general running costs of the Abbey.

St John's Chapel fund

To receive donations towards the St John's Chapel costs.

Holy Listening

Donation received from an individual interested in Holy Listening.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

23. MOVEMENT IN FUNDS - continued

Property Development fund

Funds received on the winding up of the Lt Col JD Player Memorial Trust which may be used for any purpose but which the donor Trustees would, if possible, prefer to be used for development of the property at Launde Abbey.

Restricted funds

Staff fund

To receive donations to benefit the employees of Launde Abbey.

Bursary fund

To receive donations to assist prospective guests who are unable to afford the full fee.

GEMS fund

To receive contributions from members of the Group for the East Midlands Spirituality Advisors (GEMS) and to pay creditors on their behalf.

St Augustine's Chapel fund

To receive donations to fund the refurbishment of the chapel.

St John's Chapel fund

To receive donations towards the St John's Chapel costs.

Schools project

Donation received towards the cost of providing materials, transport bursaries and other costs associated with the schools project.

Courtyard Paving

Donation received towards the costs of laying a wheelchair/disabled access friendly path across the courtyard.

Fruit Trees

Donation received for the purchase of fruit trees for the grounds.

Reopening Costs

Donation received towards the costs of reopening following the first lockdown.

Replacement Windows in Stables

Donations received towards the cost of replacing the windows in the stable block.

Transfers between funds

Transfers from restricted funds to unrestricted funds represent assets acquired for general use and not for a restricted purpose.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

24. EMPLOYEE BENEFIT OBLIGATIONS

Launde Abbey Trust participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2020: £10,044, 2019: £10,707), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £17,044 for 2020 (2019: £16,707).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions

- a) An average discount rate of 3.2% p.a.;
- b) RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- c) Increase in pensionable stipends of 3.4% p.a.;
- d) Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

24. EMPLOYEE BENEFIT OBLIGATIONS - continued

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2019 and over 2020 is set out in the table below.

	2020	2019
Balance sheet liability at 1 January	14,000	44,000
Deficit contribution paid	-7,000	-6,000
Interest cost (recognised in SoFA)	-	1,000
Remaining change to the balance sheet liability* (recognised in SoFA)	1,000	-25,000
Balance sheet liability at 31 December	8,000	14,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2% pa	1.1% pa	2.1% pa
Price inflation	3.1% pa	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.3% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, Launde Abbey Trust could become responsible for paying a share of that Responsible Body's pension liabilities.

Church Workers Pension Fund (CWPF)

Launde Abbey Trust participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

24. EMPLOYEE BENEFIT OBLIGATIONS - continued

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020: £21,324, 2019: £18,727) less amounts recharged to Launde Abbey Enterprises Ltd (2020: £1,224, 2019: £1,007).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

The valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Launde Abbey Trust could become responsible for paying a share of that employer's pension liabilities.

25. CONTINGENT LIABILITIES

During the three years ending 31 December 2012 the Leicester Diocesan Board of Finance made donations amounting to £882,591 towards the cost of refurbishing Launde Abbey. If the Abbey is sold within 25 years of the date of the donation, the donation is to be repaid to Leicester Diocesan Board of Finance from the proceeds of sale.

26. CAPITAL COMMITMENTS

	31.12.20	31.12.19
	£	£
Contracted but not provided for in the financial statements	<u>12,306</u>	<u>217</u>

27. RELATED PARTY DISCLOSURES

The Leicester Diocesan Board of Finance (LDBF) has loans outstanding at the year end of £865,138 (2019: £865,138). No interest (2019: £Nil) accrued on the loan in the year and repayments of £Nil (2019: £Nil) were made in the year. Further details of the loan term are disclosed in note 22.

The Trustees in the year Mr D J Palmer and Mrs M V Wang are also Trustees of The Leicester Diocesan Board of Finance. Trustee Mr J W Kerry is Chief Executive and Company Secretary of The Leicester Diocesan Board of Finance. During the year The Leicester Diocesan Board of Finance paid Launde Abbey £16,791 (2019: £58,246) for retreats and reimbursed Launde Abbey £16,441 (2019: £22,462) for costs incurred on its behalf. At the year end The Leicester Diocesan Board of Finance owed the Trust £1,757 (2019: £5,461).

Trustees Mr A F Trotter and Mrs M V Wang are also Trustees of Leicester Anglican Cursillo. During the year the charity paid Launde Abbey £10,260 (2019: £9,720) for retreats. No amounts were outstanding at the respective year ends.

During the year the Trust received donations of £45,459 (2019: £59,000) from its wholly owned subsidiary Launde Abbey Enterprises Limited. At the year end Launde Abbey Trust owed Launde Abbey Enterprises Limited £86,283 (2019: £63,435).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

27. RELATED PARTY DISCLOSURES - continued

The total amount of donations received without conditions from Trustees was £583 (2019: £430).

28. ULTIMATE CONTROLLING PARTY

The Trust is ultimately controlled by the Board of Trustees.

29. LEASING AGREEMENTS

At 31 December 2020 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	31.12.20 £	31.12.19 £
Amounts payable:		
Within 1 year	2,043	2,171
Between 2 and 5 years	<u>6,083</u>	<u>1,037</u>
	<u><u>8,126</u></u>	<u><u>3,208</u></u>