

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

Financial Statements  
for the Year Ended  
31 December 2021

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

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**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)  
Cannon S M Adshead - Various Trustee and  
Non-Executive Directorships (appointed  
1.1.22)  
Mr S J H Bentley - Project Director  
Ms J Cotton (nee Merson) - Accountant  
The Very Revd C C Dalliston - Dean Of Peterborough  
Right Revd Dr G Francis-Dehqani - Bishop Of  
Loughborough (resigned 29.1.21)  
Revd S R Griffiths - Rector of the Oakham Team Ministry  
Mr J W Kerry - Diocesan Chief Executive  
Mr D J Palmer - Retired Civil Servant  
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  
(resigned 1.8.21)

**REGISTERED OFFICE**

Launde Abbey  
Launde Road  
East Norton  
Leicester  
LE7 9XB

**REGISTERED COMPANY NUMBER** 07469311 (England and Wales)

**REGISTERED CHARITY NUMBER** 1140918

**WARDEN** Revd A Myers

**BUSINESS MANAGER** Mr I Andrews

**OPERATIONS MANAGER** Mr G Ostah

**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 2021**

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

Launde's principal purpose is to be 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.

Launde's life and business in 2021 were inevitably seriously affected by the second year of constrained operation within government Covid restrictions. We started the year still under the lockdown conditions, which had begun on 5 November 2020 and which continued, at national or regional level, until 17 May 2021. The remainder of the year we operated at reduced capacity under the social distancing etc. protocols either required or advised by the government. Thus our hopes of returning to full operation by mid-year were not realised. The deficit before exceptional income or expenditure of £123,461 was met from the trust's general reserves.

Once Launde was able to open, we were cautiously encouraged by the early demand for individual residential visits and retreats. Group take up, on the other hand, was slower to materialise and when it did so, it was at shorter notice than had previously been usual. We lost some pre-booked groups to cancellations: for example, some previously annual group bookings organised by diocesan bodies did not take place as financial problems curtailed activity, and other groups in early days appear to have assessed as too high the risk of commitment while the pandemic was very active. We could not, in any event, operate to capacity or at peak efficiency and to meet demand we were required on occasion to provide two sittings in the dining room so that everyone could be fed with social distancing, and to use marquees in the gardens to provide extra airy spaces. Summer saw an influx of people using the café and the Christmas season of lunches went very well. On line retreats continued at a higher number (17) than in 2020. The traditional in person Launde programme could not be replicated in the first half of the year, but we were pleased with the numbers achieved.

In such circumstances, the pressures on management and staff were stressful and we were conscious that systems were working at stretch to maintain our high quality service to those who come to Launde. To reduce infection risks, staff teams remained in separate bubbles until September to reduce risks and in all respects the high standards of Covid security we established in 2020 were maintained throughout the year and beyond. We have been rewarded by the positive reactions of our visitors to the safe experience provided at Launde, and the evidence that the demand for what Launde is and does still exists and can be the basis of a sustainable future.

The upkeep and improvement of the historic buildings and estate is an ongoing responsibility and, in normal years of continual occupancy, programming maintenance can present problems. So we took advantage of the enforced closure early in the year to complete redecoration work in the stables consequent on 2020 window replacements, and to accomplish the major repair of the ceiling of the Oak Room by providing steel pinning for the 17<sup>th</sup> century beams above and inserting steel into a wall. In July 2021 there were falls of stone from one of the two pinnacles on the Chapel and action was taken to stabilise both: full repair will take place in 2022. We became aware of structural movement in the north west corner of the house and holding repairs were undertaken as a precaution while the long term issues are monitored. We also began the troublesome task of rationalising storage by addressing the state of our many sheds. The gardens continue to be maintained by Karen Johnson with volunteer help and they provide enjoyment to staff and residents alike.

**Chair's Statement (continued)  
for the Year Ended 31 December 2021**

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We started 2020 with the knowledge that we were to lose the Warden, the Ven. David Newman on his planned retirement in August, but the ill health of his wife Helen, who was also a highly valued member of the Launde clergy team, led the trustees to offer him compassionate leave from April, when he ceased to undertake work. The Deputy Warden, the Revd Chris Webb became acting warden until the welcome arrival of the new Warden, the Revd Alison Myers, in early October. Trustees were profoundly grateful to Chris Webb for carrying this additional burden. The interim management structure introduced by the Warden in late 2020, involving Stephen Adshead as consultant operations manager, continued until November when Graeme Ostah was appointed to the new Operations Manager role recommended in the 2019 Staffing and Structures Review. Stephen brought insights and experience to bear on many aspects of the operating system and began an ongoing improvement process which will, it is intended, build capacity and resilience.

In the course of the year we began a review of the governance of the trust by revising the terms of reference of the Finance and Personnel Committee and creating a new Estates Committee which will oversee the development of a whole estate strategy and create a plan for cyclical maintenance of land and buildings. These committees are each chaired by a trustee (Jonathan Kerry and Adrian Trotter respectively). We conducted a trustee skills audit and reviewed board arrangements. Future actions include revision of the articles.

Also in year, the house for duty Chaplain, Revd Clare Goode, gave up her occupancy of South Cottage, which is now occupied by Revd Alan Humphrey, who has been appointed a Chaplain and Launde's Safeguarding Co-ordinator, and his wife Lesley, who volunteers for Launde. We are very grateful for Clare's continuing ministry and the ministry, work and presence on site of Alan and Lesley, who have rapidly become an important part of the Launde resident community alongside the new Warden and her family. In order to ensure continuity during these many changes, the Bishop of Leicester has asked me to remain as Chair.

We are, as ever, grateful to our volunteers in the garden and on Reception, and to the Friends of Launde who organised a highly successful and enjoyable fundraising event at Noseley in July, as part of their tireless support for the Abbey. In the course of 2021, we benefitted directly from various grants from them, and also received a grant towards the cost of the Oak Room ceiling works from a private trust.

In the last two years the impact of Covid, not only at Launde, has been profound, and it has extended to early 2022. In addition to the immediate impacts on our operations and hence finances, we can all see possible long term consequences for people's way of life both at work and in private occupations. The evidence of visitors in 2021 convinces the trustees that there is a long term sustainable future for Launde, and we are developing plans to ensure that Launde is ready to return to previous levels of activity and financial stability, while recognising that continuing uncertainties will influence the speed with which Launde recovers from the impact of the last two years.

Ms J A Page CBE  
Chair of Trustees

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 2021. 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 from donors however it does hold various lunches and classical concerts which for accounting purposes are classified as fundraising.

**Report of the Trustees  
for the Year Ended 31 December 2021**

**FINANCIAL REVIEW**

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

	2021 £	2020 £
Income from ordinary activities	457,591	350,369
Expenditure on ordinary operations	(585,545)	(593,738)
	<u>(127,954)</u>	<u>(243,369)</u>
Covid - Hospitality grants	24,500	29,000
Covid - Job Retention Scheme grants	107,139	139,172
Covid - cost of furloughed staff	(127,146)	(181,903)
	<u>(123,461)</u>	<u>(257,100)</u>
Net deficit before exceptional items		
Donations received towards replacement stables windows	-	37,000
Donation from Lt Col JD Player Memorial Trust	-	48,373
Donation received re Stables redecoration	12,000	-
Stables redecoration costs	(13,812)	-
Oak room ceiling repair	(29,916)	-
Legacies received	-	34,413
Renewable Heat Incentive (RHI) revenue grant received	25,696	12,626
Pension deficit adjustment under FRS 102	1,000	(1,000)
	<u>(128,493)</u>	<u>(125,688)</u>

The primary elements of income from ordinary activities comprise retreat and spiritual direction income £224,518 (2020 £254,927), fundraising income £12,912 (2020 £3,266) and donations received £214,323 (2020 £85,529).

Donations have increased significantly for two main reasons. Firstly many of Launde's guests have continued to be very supportive of Launde Abbey and have 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. Numerous sizable donations were received during 2021. The second factor is the donation received from the trading subsidiary Launde Abbey Enterprises Limited of £173,435 (2020 £45,459). The turnover and hence surplus generated by Launde Abbey Enterprises was significantly higher in 2021 resulting in a welcome boost to the funds of Launde Abbey Trust.

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 £131,639 during 2021 (2020 £168,172).

**Exceptional Items**

It was decided to take advantage of Launde Abbey being closed and undertake two projects which would cause major disruption if taking place whilst Launde is open. The repairs to the Oak Room ceiling and strengthening the beams above cost £29,916 and was paid for from reserves. The redecoration of the stables following replacement of the windows in the prior year was largely funded by a donation from The Friends of Launde Abbey.

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.

## **FINANCIAL REVIEW (continued)**

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 2021 RHI payments amounting to £25,696 (2020 £12,626) were received. The amount received during 2020 was unusually low as a result of Launde being closed throughout the winter months. Although the heating was kept on to prevent damage to the building it was turned down very low. 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 a decrease of £1,000 was advised as being necessary to the liability as at 31 December 2021.

### **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 and 2021 were such unusual years 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.

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 2021 are calculated as being £(114k). At first sight this sounds like an issue however the funds designated for property maintenance and development amounted to £252k as at 31 December 2021. 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 two years have shown the importance of holding these reserves. We are working hard to rebuild the 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.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **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.

### **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. The Operations Manager has responsibility for the day to day functioning of the Abbey. The Business Manager and Operations Manager report 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 £689 (2020: £661).

### **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.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Risk management (continued)**

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.

## **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 8 July 2022 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 2021 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 2021 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.

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 course of business;
- 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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: 11 July 2022

Launde Abbey Trust

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	204,317	23,016	227,333	205,290
<b>Charitable activities</b>					
Spiritual direction and retreats	6	224,518	-	224,518	254,927
Other trading activities	4	17,390	-	17,390	6,926
Investment income	5	245	105	350	3,011
Other income	7	157,335	-	157,335	180,799
<b>Total</b>		603,805	23,121	626,926	650,953
<b>EXPENDITURE ON</b>					
Raising funds	8	808	-	808	800
<b>Charitable activities</b>					
Costs of operation of Launde Abbey	9	738,122	17,489	755,611	774,841
<b>Total</b>		738,930	17,489	756,419	775,641
<b>NET INCOME/(EXPENDITURE)</b>		(135,125)	5,632	(129,493)	(124,688)
Transfers between funds	24	4,550	(4,550)	-	-
		(130,575)	1,082	(129,493)	(124,688)
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on defined benefit schemes	25	1,000	-	1,000	(1,000)
<b>Net movement in funds</b>		(129,575)	1,082	(128,493)	(125,688)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		3,560,983	8,480	3,569,463	3,695,151
<b>TOTAL FUNDS CARRIED FORWARD</b>	24	<u>3,431,408</u>	<u>9,562</u>	<u>3,440,970</u>	<u>3,569,463</u>

The notes form part of these financial statements

**Balance Sheet**  
**31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	16	4,157,262	-	4,157,262	4,169,315
Investments	17	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		4,157,263	-	4,157,263	4,169,316
<b>CURRENT ASSETS</b>					
Stocks	18	6,882	-	6,882	5,546
Debtors	19	37,303	-	37,303	37,781
Cash at bank and in hand	20	<u>644,346</u>	<u>9,562</u>	<u>653,908</u>	<u>724,529</u>
		688,531	9,562	698,093	767,856
<b>CREDITORS</b>					
Amounts falling due within one year	21	<u>(545,153)</u>	<u>-</u>	<u>(545,153)</u>	<u>(494,123)</u>
<b>NET CURRENT ASSETS</b>		<u>143,378</u>	<u>9,562</u>	<u>152,940</u>	<u>273,733</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,300,641	9,562	4,310,203	4,443,049
<b>CREDITORS</b>					
Amounts falling due after more than one year	22	<u>(865,233)</u>	<u>-</u>	<u>(865,233)</u>	<u>(865,586)</u>
<b>PENSION LIABILITY</b>	25	<u>(4,000)</u>	<u>-</u>	<u>(4,000)</u>	<u>(8,000)</u>
<b>NET ASSETS</b>		<u>3,431,408</u>	<u>9,562</u>	<u>3,440,970</u>	<u>3,569,463</u>
<b>FUNDS</b>	24				
Unrestricted funds				3,431,408	3,560,983
Restricted funds				<u>9,562</u>	<u>8,480</u>
<b>TOTAL FUNDS</b>				<u>3,440,970</u>	<u>3,569,463</u>

The notes form part of these financial statements



Balance Sheet - continued  
31 December 2021

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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 8 July 2022 and were signed on its behalf by:

.....  
J A Page - Chair of Trustees

.....  
J W Kerry - Trustee

The notes form part of these financial statements

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Launde Abbey Trust

Cash Flow Statement  
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(50,470)</u>	<u>180,767</u>
Net cash (used in)/provided by operating activities		<u>(50,470)</u>	<u>180,767</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(23,501)	(84,638)
Interest received		<u>350</u>	<u>3,011</u>
Net cash used in investing activities		<u>(23,151)</u>	<u>(81,627)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(73,621)	99,140
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>724,529</u>	<u>625,389</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>653,908</u>	<u>724,529</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2021

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21 £	31.12.20 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(129,493)	(124,688)
Adjustments for:		
Depreciation charges	35,554	28,659
Interest received	(350)	(3,011)
(Increase)/decrease in stocks	(1,336)	2,877
Decrease in debtors	478	2,009
Increase in creditors	50,677	281,921
Difference between pension charge and cash contributions	<u>(6,000)</u>	<u>(7,000)</u>
Net cash (used in)/provided by operations	<u>(50,470)</u>	<u>180,767</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	724,529	(70,621)	653,908
	<u>724,529</u>	<u>(70,621)</u>	<u>653,908</u>
Total	<u>724,529</u>	<u>(70,621)</u>	<u>653,908</u>

The notes form part of these financial statements

## 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.

## 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.

The Stretcher Christ statue is not depreciated as it has an expected life of up to 100 years. It is not expected to deteriorate significantly over that time and it is anticipated that it will maintain its realisable value.

Apart from land and buildings and the Stretcher Christ statue, 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

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

### 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.

**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.

**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.

**2. ACCOUNTING POLICIES - continued****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.

**Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**3. DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Chapel collections	1,010	-	1,010	640
Donations	29,872	23,016	52,888	124,778
Donations from Launde Abbey Enterprises Limited	173,435	-	173,435	45,459
Legacies	-	-	-	34,413
	<u>204,317</u>	<u>23,016</u>	<u>227,333</u>	<u>205,290</u>

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Other income	1,634	-	1,634	478
Estate income	2,844	-	2,844	3,182
Fundraising events	12,912	-	12,912	3,266
	<u>17,390</u>	<u>-</u>	<u>17,390</u>	<u>6,926</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Deposit account interest	<u>245</u>	<u>105</u>	<u>350</u>	<u>3,011</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31.12.21 £	31.12.20 £
Spiritual direction and retreats	<u>224,518</u>	<u>254,927</u>

7. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Renewable Heating Incentive	25,696	-	25,696	12,626
Coronavirus Job Retention Scheme grant	107,139	-	107,139	139,173
Hospitality grant	<u>24,500</u>	<u>-</u>	<u>24,500</u>	<u>29,000</u>
	<u>157,335</u>	<u>-</u>	<u>157,335</u>	<u>180,799</u>

8. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Fundraising events costs	<u>808</u>	<u>-</u>	<u>808</u>	<u>800</u>



9. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 10) £
Costs of operation of Launde Abbey	<u>755,611</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.21 £	31.12.20 £
Staff costs	469,034	531,123
Food and household expenses	15,113	24,217
Auditor's remuneration	4,920	5,100
Light and heat	44,605	48,309
Insurance, rates and council tax	24,615	24,624
Repairs, maintenance, grounds and upkeep	96,144	59,480
Stationery, telephone and sundries	22,359	23,548
Computer expenses	12,812	8,564
Health and safety	1,291	1,955
Staff training	113	249
Advertising	8,752	10,619
Recruitment expenses	3,540	1,389
Transport	509	134
Sundry expenses	1,019	934
Direction of retreats	15,231	5,937
Depreciation	<u>35,554</u>	<u>28,659</u>
	<u>755,611</u>	<u>774,841</u>

11. NET INCOME/(EXPENDITURE)

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

	31.12.21 £	31.12.20 £
Depreciation - owned assets	<u>35,554</u>	<u>28,659</u>

## 12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

### Trustees' expenses

Trustees were reimbursed £Nil (2020: £Nil) in respect of travel expenses.

Trustees' indemnity insurance of £689 (2020: £661) was paid during the year.

## 13. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	417,906	480,953
Social security costs	21,397	20,025
Other pension costs	<u>29,731</u>	<u>30,145</u>
	<u>469,034</u>	<u>531,123</u>

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

	31.12.21	31.12.20
Employees	<u>37</u>	<u>39</u>

Average headcount expressed as a full time equivalent:

	31.12.21	31.12.20
	<u>21</u>	<u>23</u>

No employees received emoluments in excess of £60,000 (2020: None).

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.

### 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, Operations Manager and Accountant. The total employee benefits of the key management personnel of the Charity amounted to £140,778 (2020: £131,929).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	164,970	40,320	205,290
<b>Charitable activities</b>			
Spiritual direction and retreats	254,927	-	254,927
Other trading activities	6,926	-	6,926
Investment income	2,316	695	3,011
Other income	180,799	-	180,799
<b>Total</b>	609,938	41,015	650,953
<b>EXPENDITURE ON</b>			
Raising funds	800	-	800
<b>Charitable activities</b>			
Costs of operation of Launde Abbey	770,937	3,904	774,841
<b>Total</b>	771,737	3,904	775,641
<b>NET INCOME/(EXPENDITURE)</b>	(161,799)	37,111	(124,688)
Transfers between funds	37,899	(37,899)	-
<b>Other recognised gains/(losses)</b>			
Actuarial gains/(losses) on defined benefit schemes	(1,000)	-	(1,000)
<b>Net movement in funds</b>	(124,900)	(788)	(125,688)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	3,685,883	9,268	3,695,151
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>3,560,983</u>	<u>8,480</u>	<u>3,569,463</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**15. AUDITORS' REMUNERATION**

The amount payable to the auditor for audit services amounted to £5,100 (2020: £4,920) and other services of £2,370 (2020: £2,280).

**16. TANGIBLE FIXED ASSETS**

	Freehold Land and Property £	House Furniture and Fittings £	Stable Furniture and Fittings £
<b>COST</b>			
At 1 January 2021	4,089,358	177,710	138,396
Additions	-	-	15,368
At 31 December 2021	<u>4,089,358</u>	<u>177,710</u>	<u>153,764</u>
<b>DEPRECIATION</b>			
At 1 January 2021	139,358	155,772	53,427
Charge for year	-	6,577	11,878
At 31 December 2021	<u>139,358</u>	<u>162,349</u>	<u>65,305</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>3,950,000</u>	<u>15,361</u>	<u>88,459</u>
At 31 December 2020	<u>3,950,000</u>	<u>21,938</u>	<u>84,969</u>
	Other equipment £	Stretcher Christ £	Totals £
<b>COST</b>			
At 1 January 2021	137,349	24,972	4,567,785
Additions	8,133	-	23,501
At 31 December 2021	<u>145,482</u>	<u>24,972</u>	<u>4,591,286</u>
<b>DEPRECIATION</b>			
At 1 January 2021	49,913	-	398,470
Charge for year	17,099	-	35,554
At 31 December 2021	<u>67,012</u>	<u>-</u>	<u>434,024</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>78,470</u>	<u>24,972</u>	<u>4,157,262</u>
At 31 December 2020	<u>87,436</u>	<u>24,972</u>	<u>4,169,315</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 £
<b>MARKET VALUE</b>	
At 1 January 2021 and 31 December 2021	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>1</u>
At 31 December 2020	<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:

**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	31.12.21	31.12.20
Ordinary	100	£	£
Aggregate capital and reserves		6,326	17,786
Profit for the year		<u>161,975</u>	<u>42,786</u>

**18. STOCKS**

	31.12.21	31.12.20
	£	£
Stocks	<u>6,882</u>	<u>5,546</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	3,172	2,722
Prepayments and accrued income	<u>34,131</u>	<u>35,059</u>
	<u>37,303</u>	<u>37,781</u>

20. CASH AT BANK AND IN HAND

	31.12.21	31.12.20
	£	£
Cash in hand	576	424
Notice deposits (less than 3 months)	<u>653,332</u>	<u>724,105</u>
	<u>653,908</u>	<u>724,529</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Fees received in advance	25,775	35,319
Amounts owed to group undertakings	147,031	86,283
Social security and other taxes	9,802	2,821
Other creditors	323,225	338,810
Accruals and deferred income	<u>39,320</u>	<u>30,890</u>
	<u>545,153</u>	<u>494,123</u>

Other creditors includes a permanent endowment donation of £280,029 received in 2020. This is being held on trust for another charity which is in the process of being set up.

Fees received in advance

	2021	2020
	£	£
Deferred income at 1 January	35,768	83,947
Resources deferred during the year	25,870	35,768
Amounts released from previous years	<u>(35,768)</u>	<u>(83,947)</u>
Deferred income at 31 December	<u>25,870</u>	<u>35,768</u>

Fees received in advance are released when Spiritual Retreats take place, which will be £25,775 in the next financial year and £95 in the following year.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.21 £	31.12.20 £
Fees received in advance	95	448
Loan from Leicester Diocesan Board of Finance	<u>865,138</u>	<u>865,138</u>
	<u>865,233</u>	<u>865,586</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.

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. LEASING AGREEMENTS**

At 31 December 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	31.12.21 £	31.12.20 £
<b>Amounts payable:</b>		
Within 1 year	1,752	2,043
Between 2 and 5 years	<u>4,118</u>	<u>6,083</u>
	<u>5,870</u>	<u>8,126</u>

**24. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	3,305,632	(134,361)	4,550	3,175,821
St John's Chapel fund	2,264	(764)	-	1,500
Specific projects	204,214	-	-	204,214
Holy Listening	500	-	-	500
Property development fund	48,373	-	-	48,373
IT costs	-	1,000	-	1,000
	<u>3,560,983</u>	<u>(134,125)</u>	<u>4,550</u>	<u>3,431,408</u>
<b>Restricted funds</b>				
Staff fund	121	577	-	698
GEMS fund	259	-	-	259
Chapel fund	1,319	-	-	1,319
Schools project	6,095	-	-	6,095
Fruit trees	100	(100)	-	-
Diocese of Leicester	586	105	-	691
IT Costs	-	600	(600)	-
Pathway to Shepherd's Huts	-	3,950	(3,950)	-
Eco costs	-	500	-	500
	<u>8,480</u>	<u>5,632</u>	<u>(4,550)</u>	<u>9,562</u>
<b>TOTAL FUNDS</b>	<u><u>3,569,463</u></u>	<u><u>(128,493)</u></u>	<u><u>-</u></u>	<u><u>3,440,970</u></u>



**24. 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 £
<b>Unrestricted funds</b>				
General fund	601,745	(737,106)	1,000	(134,361)
St John's Chapel fund	1,010	(1,774)	-	(764)
Staff fund	50	(50)	-	-
IT costs	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
	603,805	(738,930)	1,000	(134,125)
<b>Restricted funds</b>				
Staff fund	1,525	(948)	-	577
St John's Chapel	250	(250)	-	-
Fruit trees	-	(100)	-	(100)
Zoom licence	120	(120)	-	-
Diocese of Leicester	105	-	-	105
IT Costs	1,000	(400)	-	600
Oak room ceiling repair	3,000	(3,000)	-	-
Pathway to Shepherd's Huts	3,950	-	-	3,950
Stables redecoration	12,000	(12,000)	-	-
Recruitment costs	671	(671)	-	-
Eco costs	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
	<u>23,121</u>	<u>(17,489)</u>	<u>-</u>	<u>5,632</u>
<b>TOTAL FUNDS</b>	<u><u>626,926</u></u>	<u><u>(756,419)</u></u>	<u><u>1,000</u></u>	<u><u>(128,493)</u></u>

## 24. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
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>
<b>Restricted funds</b>				
Staff fund	836	(715)	-	121
Bursary fund	-	(601)	601	-
GEMS fund	259	-	-	259
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)	-
Diocese of Leicester	-	586	-	586
	<u>9,268</u>	<u>37,111</u>	<u>(37,899)</u>	<u>8,480</u>
<b>TOTAL FUNDS</b>	<u><u>3,695,151</u></u>	<u><u>(125,688)</u></u>	<u><u>-</u></u>	<u><u>3,569,463</u></u>

**24. 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 £
<b>Unrestricted funds</b>				
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)
<b>Restricted funds</b>				
Staff fund	1,400	(2,115)	-	(715)
Bursary fund	-	(601)	-	(601)
St John's Chapel	100	(100)	-	-
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)	-	-
Diocese of Leicester	695	(109)	-	586
	41,015	(3,904)	-	37,111
<b>TOTAL FUNDS</b>	<u>650,953</u>	<u>(775,641)</u>	<u>(1,000)</u>	<u>(125,688)</u>

**Designated funds****St John's Chapel fund**

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

**Specific projects**

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

**Holy Listening**

Donation received from an individual interested in Holy Listening.

**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.

**IT Costs**

Donation towards the cost of IT work which otherwise would not happen.

**24. MOVEMENT IN FUNDS - continued**

**Restricted funds**

**Staff fund**

To receive donations to benefit the employees of Launde Abbey.

**GEMS fund**

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

**Chapel fund**

To receive donations to fund the refurbishment and maintenance of all of the chapels.

**Schools project**

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

**Fruit Trees**

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

**Bursary fund**

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

**IT Costs**

Donation to cover the purchase of additional IT equipment.

**Pathway to Shepherd's Huts**

Donation to cover the cost of installing a pathway to each of the Shepherd's Huts.

**Eco costs**

Donation received towards the cost of making Launde Abbey an Eco Church.

**Diocese of Leicester**

To support any charitable purpose in connection with the Church of England in the Diocese of Leicester.

**Transfers between funds**

Transfers from restricted funds to unrestricted funds represent funds received for the purchase of assets. The assets were acquired for general use and not for a restricted purpose.

## 25. 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 (2021: £15,812, 2020: £10,044), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £18,812 for 2021 (2020: £17,044).

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 2019, 31 December 2020 and 31 December 2021 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 2021**

**25. 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 2020 and over 2021 is set out in the table below.

	2021	2020
Balance sheet liability at 1 January	8,000	14,000
Deficit contribution paid	-3,000	-7,000
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-1,000	1,000
Balance sheet liability at 31 December	4,000	8,000

\* 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. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.0%	0.2%	1.1% pa
Price inflation	n/a	3.1%	2.8% pa
Increase to total pensionable payroll	-1.5%	1.6%	1.3% 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. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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

## 25. EMPLOYEE BENEFIT OBLIGATIONS - continued

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 the contributions payable (2021: £18,717, 2020: £21,324) less amounts recharged to Launde Abbey Enterprises Ltd (2021 £4,808, 2020; £1,224).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m 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.

## 26. 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.

## 27. CAPITAL COMMITMENTS

	31.12.21	31.12.20
	£	£
Contracted but not provided for in the financial statements	-	12,306

## 28. RELATED PARTY DISCLOSURES

The Leicester Diocesan Board of Finance (LDBF) has loans outstanding at the year end of £865,138 (2020: £865,138). No interest (2020: £Nil) accrued on the loan in the year and repayments of £Nil (2020: £Nil) were made in the year. Further details of the loan term are disclosed in note 22.

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 £2,766 (2020: £16,791) for retreats and reimbursed Launde Abbey £9,705 (2020: £16,441) for costs incurred on its behalf. At the year end The Leicester Diocesan Board of Finance owed the Trust £1,343 (2020: £1,757).

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 £Nil (2020: £10,260) for retreats. No amounts were outstanding at the respective year ends.

During the year the Trust received donations of £173,435 (2020: £45,459) from its wholly owned subsidiary Launde Abbey Enterprises Limited. At the year end Launde Abbey Trust owed Launde Abbey Enterprises Limited £147,031 (2020: £86,283).

**28. RELATED PARTY DISCLOSURES - continued**

The total amount of donations received without conditions from trustees was £300 (2020: £583).

**29. ULTIMATE CONTROLLING PARTY**

The Trust is ultimately controlled by the Board of Trustees.



This page does not form part of the statutory financial statements