

**Consolidated
Financial Statements
for the Year Ended
31 December 2022**

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

	Page
Reference and Administrative Details	1
Chair's and Warden's Statement	2 to 4
Report of the Trustees	5 to 10
Report of the Independent Auditors	11 to 13
Statement of Financial Activities	14
Consolidated Balance Sheet	15 to 16
Charity Balance Sheet	17 to 18
Cash Flow Statement	19
Notes to the Cash Flow Statement	20
Notes to the Financial Statements	21 to 45

TRUSTEES	Ms J A Page - Chair of Church Buildings Council 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 (resigned 5.2.23) The Very Revd C C Dalliston - Dean Of Peterborough 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)
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

This report is more substantial than earlier years' Chair's Reports, to provide a fuller picture of the way in which Launde Abbey Trust has performed. Reflecting this, it is signed by the Warden as well as the Chair. In future years we intend to provide a separate Warden's report with fuller details. The Trust's purpose

Launde Abbey Trust exists to further the advancement of the Christian religion and to operate the Launde Abbey estate as a Christian Retreat House and Conference Centre within the Anglican tradition, but with ecumenical outreach. The Abbey serves the Church of England Diocese of Leicester and the adjacent Diocese of Peterborough. In addition, Launde has national significance, welcoming individuals and groups from all parts of the country, and from different traditions and denominations. The Abbey's Warden is incumbent of the nearby parish of Loddington and the Abbey is exploring its role in the ongoing Leicester 'Minster Community' initiative.

Launde offers hospitality for individual and group retreats, courses and meetings, undergirded by a regular rhythm of shared prayer and worship. In 2022 we have increased the focus on welcoming visitors into the praying community as the essential core of what Launde offers, as is clearly reflected both in our newly adopted summary of our key roles 'Prayer - Hospitality - Community - Sanctuary' and in the enhanced Launde Programme of retreats and courses offered throughout the year. The Abbey community also provides a base of Christian hospitality for groups running their own programmes, making use of Launde staff and facilities.

Experience of 2022

As worldwide, Launde's 2020 and 2021 experience was dominated by the profound impact of the Covid pandemic which was still, early in 2022, directly affecting our operations and finances as well as casting forward a shadow of uncertainty over the rest of the year, all of which required us to make a £96,000 deficit budget. The effect of the prolonged war in Ukraine, with its outworking on worldwide energy supply chains and prices, and of UK political instability, which by the last quarter had exacerbated the war's effects into a UK cost of living crisis, inevitably also impacted 2022 operations. But these accumulated problems have not prevented the business doing better than budgeted, so that the year ended with a consolidated surplus of £62,528 (2021 deficit of £139,953). This is an admirable result in the circumstances and provides the basis on which further recovery is possible although, of course, the current economic and political climate, and the possibility of pandemic recurrence, need to be factored into all projections.

2022 activities

The Trust recognised that the turnaround from the pandemic years to a business capable of long term flourishing would need its operations to move through stabilisation to sustainability and only then to growth, so 2022 activities included substantial reorganisation of resources and systems as reflected below. What was unknown, and hence difficult to plan for, was the shape of returning business: in the event, trends begun in 2021 were confirmed and business overall returned to levels in keeping with the experience of 2018 (before the peak of the 900 year anniversary in 2019 and the first lockdown year of 2020). This was driven in large part by individuals seeking private or guided retreats and probably reflects a post-Covid surge in the demand for the respite and succour Launde provides. Similarly, higher than usual café business showed increased patronage by walkers and cyclists. On the other hand, the number of group bookings remained lower than in pre-Covid years, presumably reflecting both a continued slow return to organised face to face events, and reduced resources within dioceses and also in the wider charitable and voluntary sectors. Nonetheless, Launde welcomed a number of new groups in 2022, including e.g., the Society of Ordained Scientists and several Church of England Discernment conferences, which provided some compensation for the lower levels of business from traditional users. Another alteration to pre-Covid

patterns experienced in 2022 was the incidence of late bookings, particularly for groups, so the Abbey did not have the forward commitments and cash-flow profiles of former years, reducing certainty.

The Trust set about rethinking its business model to accommodate the potentially long term changes which affect running costs, and initiated detailed cost modelling work (still ongoing) to improve its ability to adjust quickly to any further changing circumstances. In year we developed the first retreats offered in partnership with third party organisations with the objective of attracting new people to Launde. Also to raise the Abbey's profile, the Warden and Deputy Warden played significant roles in a Peterborough Diocese Conference and the Warden attends the Bishop's Council in Leicester Diocese.

In the course of the first year following the creation of the post of Operations Manager many adjustments to earlier practices and systems were achieved. Health and safety standards were reviewed and revised. Low business in late 2022 allowed effort for extra cleaning, targeted reorganisations of storage and critical attention to some routines and training for staff. Throughout the year attention has been paid to energy usage, portion control and stock levels and light touch improvements have been made to visitor facilities, such as new chairs for the courtyard café and new signage. All the sewer covers in the wider landscape have been replaced. Planned and day to day maintenance are now better managed and capacity has been increased by additional contracted help. Guests and staff have welcomed improved web access.

A long-standing aspiration has been more precise and effective operations between booking, catering and hospitality staff and better electronic interface with the public. After careful analysis of its options, the Trust decided in March to change its on-line supplier of booking and reservation services and by year end a contract was in place for the Guestline system to be installed early in 2023. Trustee Stephen Adshead has played a key role in a process which otherwise would have had to move more slowly: for this staff and Trustees are very grateful.

One aspect of operations continues to place considerable burdens on management, i.e., the need to maintain 24 hours cover of appropriate on-call services whenever the Abbey has guests. In year we trialled Sunday evening closures to permit both staff and house some respite from activity and intend to maintain this policy except where group bookings provide sufficient cause to incur financial and other costs of additional cover.

Personnel matters

This was the first full year in post for both Revd Alison Myers as Warden and Graeme Ostah as Operations Manager and various adjustments to other people's roles were made to reflect the new approach to business and to cover the absence of Revd Chris Webb, the Deputy Warden, for several months of sickness during the first half of the year. In particular, the Warden diverted more of her time than planned to leading retreats and Revd Alan Humphrey, resident Chaplain and Launde's Safeguarding Co-ordinator, took on several key tasks of business analysis. Mhairi Brown's arrival in early summer strengthened the bookings department. Revd Claire Goode gave up her role as a Launde Chaplain at year end, but remains as a retreat leader, and Ian Andrews, Business Manager for the last 9 years, left Launde to take up new employment. Further re-organisation will follow these departures.

In common with other workplaces, there has been more than usual turnover among domestic and catering staff. Filling vacancies at this level is a problem for the whole hospitality sector, made harder for Launde by its geographic distance from centres of population. So far it has been possible to cover vacancies and rearrange working patterns to maintain full efficiency, but this aspect of the operation is vulnerable. Trustees are extremely grateful to the whole team which has responded to difficult circumstances with resilience and good humour. They are also encouraged by the enthusiasm of the volunteers in the house and the garden who make such a positive contribution to the welcome the Abbey offers.

It was with regret that the Trustees learned shortly after year end of the death of Helen Newman, former chaplain, who in her four years' residence at Launde (to August 2021) had made a major contribution to the life of the Abbey. Trustees also noted the approach of the early 2023 retirement from

**Chair's and Warden's Statement (continued)
for the Year Ended 31 December 2022**

Peterborough of Bishop Donald Allister who has been a great supporter of the Abbey and its role within his diocese.

External sources of support

Trustees welcomed support for Launde from Harborough District Council which contributed £5,000 to the cost of refitting the Abbey with LED lights and from the independent charity, The Friends of Launde, which through various grants donated a total of £20,963, including support for a much desired shredder to improve the composting potential of the gardens. The Friends of Launde also held a second popular concert at Noseley to raise further funds for the Abbey. The Warden is taking part in discussions about how The Friends of Launde organisation relates to the growing community of Launde's well-wishers and supporters.

A different form of support was provided by three eminent landscape professionals, Chris Baines, Bunny Guinness and Jeremy Purseglove, who devoted a day in August to reviewing the condition and potential of the Launde estate and gardens. Their advice on how to develop a long term strategy for these important assets was invaluable and minor pieces of landscape improvement have already started. Larger aspirations for the renovation of the gardens and enhanced management of the estate will continue to be developed.

Physical works

Physical works to the buildings this year have been minor, except for the repair of the pinnacles of the mediaeval chapel where Victorian reinforcements had caused spalling and one fall of masonry. This work was part funded by a Friends of Launde grant.

Governance matters

In the year no safeguarding issues were reported to the Board. In the course of the year the Trustees have recruited new lawyers and, via the Finance and Personnel Committee, undertaken revision of the Articles, which are expected to be adopted by the Trust in early 2023. In January 2022 the new Estates Committee began its supervision of the development of a whole estate strategy and of development of a plan for cyclical maintenance of land and buildings. These two committees, each chaired by a Trustee (Jonathan Kerry and Adrian Trotter respectively), meet six times a year and provide detailed scrutiny of operations and business within agreed delegations from the Board, which itself meets six times annually.

Conclusions

Significant recovery was made in 2022, and Trustees reaffirm their commitment to making further improvements to the assets and operations, confident in the ability of Launde Abbey to achieve long term sustainability. However, current circumstances leave open the question of short term growth. Continued concerns about the out-workings of a potential UK recession, the effects of cost of living increases on potential visitor income and the increased costs of operations, in particular of energy, which show no signs of abating, suggest that it will not be possible in 2023 to match 2022's results. These wider economic concerns, together with planned investment in the website and the new booking system, are likely to leave us with a deficit of around £40,000, but well placed to achieve steady good returns as economic circumstances improve.

Ms J A Page CBE

Chair of Trustees

Date: 12 May 2023

Revd Alison Myers

Warden

Date: 12 May 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2022. 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.

FINANCIAL REVIEW

The financial performance of the charity and its trading subsidiary may be summarised as follows.

	2022 £	2021 £
Income from ordinary activities	1,068,247	645,787
Expenditure on ordinary operations	(1,047,731)	(784,201)
	<u>20,516</u>	<u>(138,414)</u>
Covid - Hospitality grants	4,000	24,500
Covid - Job Retention Scheme grants	-	107,139
Covid - cost of furloughed staff	-	(127,146)
	<u>24,516</u>	<u>(133,921)</u>
Net surplus/(deficit) before exceptional items	24,516	(133,921)
Grant towards partial replacement of lighting with LED's	5,000	-
Cost of partial replacement of lighting with LED's	(9,459)	-
Donation to cover cost of chapel pinnacle repairs	9,240	-
Cost of chapel pinnacle repair	(9,240)	-
Donations received towards garden shredder	10,380	-
Donation received re Stables redecoration	-	12,000
Stables redecoration costs	-	(13,812)
Oak room ceiling repair	-	(29,916)
Renewable Heat Incentive (RHI) revenue grant received	32,091	25,696
	<u>62,528</u>	<u>(139,953)</u>
Net surplus/(deficit) for the year	62,528	(139,953)

The primary elements of income from ordinary activities comprise income from retreats, spiritual direction and similar events hosted by Launde Abbey Enterprises £967,299 (2021 £551,310), fundraising income £23,483 (2021 £12,912) and donations received £23,505 (2021 £41,898).

Retreat and similar income includes £491,754 (2021 £233,402) from Parish, Diocesan and National Church organisations.

For the first time since the start of the pandemic Launde Abbey has been able to operate for the entire year. This is reflected in the increased income in both Launde Abbey Trust and Launde Abbey Enterprises Ltd.

During 2022 there were increases across all cost sectors with certain areas, particularly energy, seeing

FINANCIAL REVIEW (continued)

significant increases. This combined with a reluctance by both groups and individuals to commit to bookings more than a short period in advance made 2022 a challenging year. Despite these factors Launde achieved a surplus on ordinary activities of £20,516 (2021 £138,414 deficit).

Exceptional Items

Launde has been slowly replacing old lighting with LEDs for some time. Early in 2022 a significant step forward was taken when the lights in the communal and office areas of the main house were replaced. A grant of £5,000 was received towards the total cost of £9,459.

During 2021 Launde became aware that the pinnacles on the chapel were showing their age and required work to stabilise them. This was undertaken during 2022. The cost of £9,240 was covered by a donation from the Friends of Launde. The Friends also covered the £10,380 cost of purchasing a shredder for the garden.

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.

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 2022 RHI payments amounting to £32,091 (2021 £25,696) were received. Provided that Launde Abbey continues to comply with the eligibility criteria the RHI is receivable until March 2033.

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.

For the year ended 31 December 2022 three months expenses amounted to £267k.

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 2022 are calculated as being £(35k) (2021: £(114k)). At first sight this sounds like an issue however the funds designated for property maintenance and development amounted to £254k as at 31 December 2022. 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 £267k and a property fund of £250k but the last few 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.

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 £951 (2021: £689).

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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 Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 12 May 2023 and signed on its behalf by:

Ms J A Page - Trustee

Opinion

We have audited the financial statements of Launde Abbey Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 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 group's and parent charitable company's affairs as at 31 December 2022 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 group and parent 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 group's and parent 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 group and parent 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 parent charitable company's 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 group's and parent 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 group or the parent 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 group 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 and the Charities Act 2011) and the relevant tax compliance regulations in the jurisdiction in which the company 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;

Report of the Independent Auditors to the Members of Launde Abbey Trust (continued)

- 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 company'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 have assessed these areas at group level and at component level where appropriate, we performed the component audit work ourselves as part of our audit of those entities.
- 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. 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 and its trustees 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.

Mrs L G Parkes FCA FCCA (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: 16 May 2023

Launde Abbey Trust

Consolidated Statement of Financial Activities
(Incorporating Consolidated Income and Expenditure Account)
for the Year Ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	17,296	25,829	43,125	53,898
Charitable activities	6				
Spiritual direction and retreats		297,811	-	297,811	224,518
Other trading activities	4	737,743	-	737,743	379,017
Investment income	5	4,907	3,655	8,562	354
Other income	7	36,717	5,000	41,717	157,335
Total		1,094,474	34,484	1,128,958	815,122
EXPENDITURE ON					
Raising funds	8	381,880	-	381,880	186,372
Charitable activities	9				
Costs of operation of Launde Abbey		668,322	18,228	686,550	769,703
Total		1,050,202	18,228	1,068,430	956,075
NET INCOME/(EXPENDITURE)		44,272	16,256	60,528	(140,953)
Transfers between funds	24	11,604	(11,604)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes	25	2,000	-	2,000	1,000
Net movement in funds		57,876	4,652	62,528	(139,953)
RECONCILIATION OF FUNDS					
Total funds brought forward		3,437,733	9,562	3,447,295	3,587,248
TOTAL FUNDS CARRIED FORWARD	24	<u>3,495,609</u>	<u>14,214</u>	<u>3,509,823</u>	<u>3,447,295</u>

All income and expenditure derive from continuing activities.

The notes form part of these financial statements

Consolidated Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	16	4,142,121	-	4,142,121	4,157,262
CURRENT ASSETS					
Stocks	18	13,040	-	13,040	15,884
Debtors	19	58,994	-	58,994	48,886
Cash at bank and in hand	20	<u>702,055</u>	<u>14,214</u>	<u>716,269</u>	<u>754,184</u>
		774,089	14,214	788,303	818,954
CREDITORS					
Amounts falling due within one year	21	<u>(554,638)</u>	<u>-</u>	<u>(554,638)</u>	<u>(659,390)</u>
NET CURRENT ASSETS		<u>219,451</u>	<u>14,214</u>	<u>233,665</u>	<u>159,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,361,572	14,214	4,375,786	4,316,826
CREDITORS					
Amounts falling due after more than one year	22	<u>(865,963)</u>	<u>-</u>	<u>(865,963)</u>	<u>(865,531)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES		3,495,609	14,214	3,509,823	3,451,295
PENSION LIABILITY	25	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,000)</u>
NET ASSETS		<u>3,495,609</u>	<u>14,214</u>	<u>3,509,823</u>	<u>3,447,295</u>
FUNDS	24				
Unrestricted funds				3,495,609	3,437,733
Restricted funds				<u>14,214</u>	<u>9,562</u>
TOTAL FUNDS				<u>3,509,823</u>	<u>3,447,295</u>

The notes form part of these financial statements

Consolidated Balance Sheet - continued
31 December 2022

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 12 May 2023 and were signed on its behalf by:

J A Page - Chair of Trustees

J W Kerry - Trustee

Charity Balance Sheet
31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	16	4,142,121	-	4,142,121	4,157,262
Investments	17	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		4,142,122	-	4,142,122	4,157,263
CURRENT ASSETS					
Stocks	18	5,387	-	5,387	6,882
Debtors	19	35,615	-	35,615	37,303
Cash at bank and in hand	20	<u>649,322</u>	<u>14,214</u>	<u>663,536</u>	<u>653,908</u>
		690,324	14,214	704,538	698,093
CREDITORS					
Amounts falling due within one year	21	<u>(485,169)</u>	<u>-</u>	<u>(485,169)</u>	<u>(545,153)</u>
NET CURRENT ASSETS		<u>205,155</u>	<u>14,214</u>	<u>219,369</u>	<u>152,940</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,347,277	14,214	4,361,491	4,310,203
CREDITORS					
Amounts falling due after more than one year	22	<u>(865,138)</u>	<u>-</u>	<u>(865,138)</u>	<u>(865,233)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES		3,482,139	14,214	3,496,353	3,444,970
PENSION LIABILITY	25	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,000)</u>
NET ASSETS		<u>3,482,139</u>	<u>14,214</u>	<u>3,496,353</u>	<u>3,440,970</u>
FUNDS	24				
Unrestricted funds				3,482,139	3,431,408
Restricted funds				<u>14,214</u>	<u>9,562</u>
TOTAL FUNDS				<u>3,496,353</u>	<u>3,440,970</u>
Charity's surplus/(deficit) for the financial year				<u>55,383</u>	<u>(128,493)</u>

The notes form part of these financial statements

Charity Balance Sheet - continued
31 December 2022

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 on 12 May 2023 and were signed on its behalf by:

J A Page - Chair of Trustees

J W Kerry - Trustee

Launde Abbey Trust

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2022**

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(25,555)</u>	<u>39,014</u>
Net cash provided by operating activities		<u>(25,555)</u>	<u>39,014</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(20,922)	(23,501)
Interest received		<u>8,562</u>	<u>354</u>
Net cash used in investing activities		<u>(12,360)</u>	<u>(23,147)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(37,915)	15,867
Cash and cash equivalents at the beginning of the reporting period		<u>754,184</u>	<u>738,317</u>
Cash and cash equivalents at the end of the reporting period		<u><u>716,269</u></u>	<u><u>754,184</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31.12.22	31.12.21	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	60,528	(140,953)	
Adjustments for:			
Depreciation charges	36,063	35,554	
Interest received	(8,562)	(354)	
Decrease in stocks	2,844	321	
Increase in debtors	(10,108)	(11,027)	
(Decrease)/Increase in creditors	(104,320)	158,473	
Difference between pension charge and cash contributions	<u>(2,000)</u>	<u>(3,000)</u>	
Net cash provided by operations	<u>(25,555)</u>	<u>39,014</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>754,184</u>	<u>(37,915)</u>	<u>716,269</u>
	<u>754,184</u>	<u>(37,915)</u>	<u>716,269</u>
Total	<u>754,184</u>	<u>(37,915)</u>	<u>716,269</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.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Launde Abbey Enterprises Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

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, 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% - 33% per annum on cost

Stocks

Stocks are valued 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.2000

2. ACCOUNTING POLICIES - continued

Fund accounting - continued

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 these schemes as if they were defined contribution schemes. The amount charged to the Statement of Financial Activities incorporating Income and Expenditure Account represents contributions payable to the schemes 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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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 payable 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 £	31.12.22 Total funds £	31.12.21 Total funds £
Chapel collections	1,087	-	1,087	1,010
Donations	14,959	25,829	40,788	52,888
Legacies	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>-</u>
	<u>17,296</u>	<u>25,829</u>	<u>43,125</u>	<u>53,898</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Other income	388	-	388	1,638
Estate income	2,843	-	2,843	2,844
Fundraising events	23,483	-	23,483	12,912
Sales from bar, shop and plants	40,874	-	40,874	32,831
Functions and café	78,611	-	78,611	45,752
Conferences and meetings	590,877	-	590,877	281,040
Statue sales	<u>667</u>	<u>-</u>	<u>667</u>	<u>2,000</u>
	<u>737,743</u>	<u>-</u>	<u>737,743</u>	<u>379,017</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Deposit account interest	<u>4,907</u>	<u>3,655</u>	<u>8,562</u>	<u>354</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31.12.22 £	31.12.21 £
Spiritual direction and retreats	<u>297,811</u>	<u>224,518</u>

7. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Renewable Heating Incentive	32,091	-	32,091	25,696
Coronavirus Job Retention Scheme grant and Covid SSP	626	-	626	107,139
Hospitality grant	4,000	-	4,000	24,500
Grant for LEDs	-	<u>5,000</u>	<u>5,000</u>	-
	<u>36,717</u>	<u>5,000</u>	<u>41,717</u>	<u>157,335</u>

8. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
Fundraising events costs (including staff costs)	<u>381,880</u>	-	<u>381,880</u>	<u>186,372</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022**9. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 10) £
Costs of operation of Launde Abbey	<u>686,550</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.22 £	31.12.21 £
Staff costs	362,969	469,034
Food and household expenses	32,836	15,093
Auditor's remuneration	11,748	6,895
Light and heat	86,237	47,586
Insurance, rates and council tax	29,300	24,615
Repairs, maintenance, grounds and upkeep	65,386	102,553
Stationery, telephone and sundries	15,246	23,905
Computer expenses	16,880	13,776
Health and safety	1,932	1,765
Staff training	1,266	113
Advertising	8,690	8,752
Recruitment expenses	1,416	3,540
Transport	1,981	509
Sundry expenses	2,496	902
Direction of retreats	12,104	15,111
Depreciation	<u>36,063</u>	<u>35,554</u>
	<u>686,550</u>	<u>769,703</u>

The above costs include restricted expenditure of £3,040 in staff costs (2021: £948), £52 in sundry expenses (2021: £Nil), £119 in computer expenses (2021: £520), £Nil in recruitment expenses (2021: £671) and £15,017 in repairs, maintenance, grounds and upkeep (2021: £15,350).

11. NET INCOME/(EXPENDITURE)

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

	31.12.22 £	31.12.21 £
Depreciation - owned assets	<u>36,063</u>	<u>35,554</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Trustees were reimbursed £Nil (2021: £Nil) in respect of travel expenses.

Trustees' indemnity insurance of £951 (2021: £689) was paid during the year.

13. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	529,951	503,447
Social security costs	33,277	26,403
Other pension costs	<u>39,743</u>	<u>34,539</u>
	<u>602,971</u>	<u>564,389</u>

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

	31.12.22	31.12.21
Employees	<u>37</u>	<u>37</u>

	31.12.22	31.12.21
Average headcount expressed as a full time equivalent:	<u>21</u>	<u>21</u>

No employees received total employee benefits (excluding employer pension costs) in excess of £60,000.

Included in wages and salaries are ex-gratia payments totalling £10,000 (2021: £Nil).

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 £186,166 (2021: £140,778).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	30,882	23,016	53,898
Charitable activities			
Spiritual direction and retreats	224,518	-	224,518
Other trading activities	379,017	-	379,017
Investment income	249	105	354
Other income	<u>157,335</u>	<u>-</u>	<u>157,335</u>
Total	792,001	23,121	815,122
 EXPENDITURE ON			
Raising funds	186,372	-	186,372
Charitable activities			
Costs of operation of Launde Abbey	752,214	17,489	769,703
Total	938,586	17,489	956,075
 NET INCOME	(146,585)	5,632	(140,953)
Transfers between funds	<u>4,550</u>	<u>(4,550)</u>	<u>-</u>
	(142,035)	1,082	(140,953)
 Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net movement in funds	(141,035)	1,082	(139,953)
 RECONCILIATION OF FUNDS			
Total funds brought forward	3,578,768	8,480	3,587,248
TOTAL FUNDS CARRIED FORWARD	<u>3,437,733</u>	<u>9,562</u>	<u>3,447,295</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

15. AUDITORS' REMUNERATION

The amount payable to the auditor for audit services amounted to £11,748 (2021: £4,920) and other services of £Nil (2021: £1,975).

16. TANGIBLE FIXED ASSETS

Group and Charity	Freehold Land and property £	House Furniture and Fittings £	Stable Furniture and fittings £
COST			
At 1 January 2022	4,089,358	177,710	153,764
Additions	-	1,224	-
Disposals	-	(3,696)	-
At 31 December 2022	<u>4,089,358</u>	<u>175,238</u>	<u>153,764</u>
DEPRECIATION			
At 1 January 2022	139,358	162,349	65,305
Charge for year	-	4,912	12,483
Eliminated on disposal	-	(3,696)	-
At 31 December 2022	<u>139,358</u>	<u>163,565</u>	<u>77,788</u>
NET BOOK VALUE			
At 31 December 2022	<u>3,950,000</u>	<u>11,673</u>	<u>75,976</u>
At 31 December 2021	<u>3,950,000</u>	<u>15,361</u>	<u>88,459</u>
	Other equipment £	Stretcher Christ £	Totals £
COST			
At 1 January 2022	145,482	24,972	4,591,286
Additions	19,698	-	20,922
Disposals	-	-	(3,696)
At 31 December 2022	<u>165,180</u>	<u>24,972</u>	<u>4,608,512</u>
DEPRECIATION			
At 1 January 2022	67,012	-	434,024
Charge for year	18,668	-	36,063
Eliminated on disposal	-	-	(3,696)
At 31 December 2022	<u>85,680</u>	<u>-</u>	<u>466,391</u>
NET BOOK VALUE			
At 31 December 2022	<u>79,500</u>	<u>24,972</u>	<u>4,142,121</u>
At 31 December 2021	<u>78,470</u>	<u>24,972</u>	<u>4,157,262</u>

16. TANGIBLE FIXED ASSETS - continued

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 undertakings £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	<u>1</u>
NET BOOK VALUE	
At 31 December 2022	<u>1</u>
At 31 December 2021	<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	31.12.22	31.12.21
Ordinary	100	£	£
Aggregate capital and reserves		13,471	6,326
Profit for the year		<u>283,520</u>	<u>161,975</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

18. STOCKS

	Group 31.12.22	Group 31.12.21	Charity 31.12.22	Charity 31.12.21
	£	£	£	£
Stocks	<u>13,040</u>	<u>15,884</u>	<u>5,387</u>	<u>6,882</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31.12.22	Group 31.12.21	Charity 31.12.22	Charity 31.12.21
	£	£	£	£
Trade debtors	19,743	14,735	1,799	3,172
Other debtors	50	20	50	-
Prepayments and accrued income	<u>39,201</u>	<u>34,131</u>	<u>33,766</u>	<u>34,131</u>
	<u>58,994</u>	<u>48,886</u>	<u>35,615</u>	<u>37,303</u>

20. CASH AT BANK AND IN HAND

	Group 31.12.22	Group 31.12.21	Charity 31.12.22	Charity 31.12.21
	£	£	£	£
Cash in hand	553	576	553	576
Notice deposits (less than 3 months)	<u>715,716</u>	<u>753,608</u>	<u>662,983</u>	<u>653,332</u>
	<u>716,269</u>	<u>754,184</u>	<u>663,536</u>	<u>653,908</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 31.12.22	Group 31.12.21	Charity 31.12.22	Charity 31.12.21
	£	£	£	£
Trade creditors	14,350	15,414	-	-
Fees received in advance	138,152	251,812	38,594	25,775
Amounts owed to group undertakings	-	-	78,497	147,031
Social security and other taxes	8,689	9,802	8,689	9,802
VAT	25,043	14,304	-	-
Other creditors	330,019	324,612	329,644	323,225
Accruals	<u>38,385</u>	<u>43,446</u>	<u>29,745</u>	<u>39,320</u>
	<u>554,638</u>	<u>659,390</u>	<u>485,169</u>	<u>545,153</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

Group	2022 £	2021 £
Deferred income at 1 January	252,205	116,407
Resources deferred during the year	138,584	243,043
Amounts released from previous years	<u>(251,812)</u>	<u>(107,245)</u>
Deferred income at 31 December	<u>138,977</u>	<u>252,205</u>

Fees received in advance are released when Spiritual Retreats take place, which will be £138,152 in the next financial year and £825 in the following year.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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

	Group 31.12.22 £	Group 31.12.21 £	Charity 31.12.22 £	Charity 31.12.21 £
Fees received in advance	825	393	-	95
Loan from Leicester Diocesan Board of Finance	<u>865,138</u>	<u>865,138</u>	<u>865,138</u>	<u>865,138</u>
	<u>865,963</u>	<u>865,531</u>	<u>865,138</u>	<u>865,233</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 2022 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	31.12.22 £	31.12.21 £
Amounts payable:		
Within 1 year	1,699	1,752
Between 2 and 5 years	<u>2,471</u>	<u>4,118</u>
	<u>4,170</u>	<u>5,870</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

24. MOVEMENT IN FUNDS

Group	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	3,182,146	46,942	11,604	3,240,692
St John's Chapel fund	1,500	(920)	-	580
Specific projects	204,214	1,250	-	205,464
Holy Listening	500	-	-	500
Property development fund	48,373	-	-	48,373
IT costs	1,000	(1,000)	-	-
	3,437,733	46,272	11,604	3,495,609
Restricted funds				
Staff fund	698	826	-	1,524
GEMS fund	259	-	-	259
Chapel fund	1,319	(277)	-	1,042
Schools project	6,095	-	-	6,095
Diocese of Leicester	691	3,603	-	4,294
Eco costs	500	(500)	-	-
Garden development	-	1,000	-	1,000
Hearing loop - drawing room	-	1,224	(1,224)	-
Garden shredder	-	10,380	(10,380)	-
	9,562	16,256	(11,604)	14,214
TOTAL FUNDS	<u>3,447,295</u>	<u>62,528</u>	<u>-</u>	<u>3,509,823</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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 £
Unrestricted funds				
General fund	1,092,107	(1,047,165)	2,000	46,942
St John's Chapel fund	1,097	(2,017)	-	(920)
IT costs	-	(1,000)	-	(1,000)
Specific projects	1,250	-	-	1,250
Garden	20	(20)	-	-
	<u>1,094,474</u>	<u>(1,050,202)</u>	<u>2,000</u>	<u>46,272</u>
Restricted funds				
Staff fund	3,866	(3,040)	-	826
Diocese of Leicester	3,655	(52)	-	3,603
Chapel fund	-	(277)	-	(277)
Zoom licence	119	(119)	-	-
Eco costs	-	(500)	-	(500)
Garden development	1,000	-	-	1,000
Hearing loop - drawing room	1,224	-	-	1,224
Chapel pinnacles	9,240	(9,240)	-	-
Garden shredder	10,380	-	-	10,380
LED's	5,000	(5,000)	-	-
	<u>34,484</u>	<u>(18,228)</u>	<u>-</u>	<u>16,256</u>
TOTAL FUNDS	<u>1,128,958</u>	<u>(1,068,430)</u>	<u>2,000</u>	<u>62,528</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

24. MOVEMENT IN FUNDS - continued

Group

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	3,323,417	(145,821)	4,550	3,182,146
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>3,578,768</u>	<u>(145,585)</u>	<u>4,550</u>	<u>3,437,733</u>
Restricted funds				
Staff fund	121	577	-	698
Diocese of Leicester	586	105	-	691
GEMS fund	259	-	-	259
Chapel fund	1,319	-	-	1,319
Schools project	6,095	-	-	6,095
Fruit trees	100	(100)	-	-
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>
TOTAL FUNDS	<u><u>3,587,248</u></u>	<u><u>(139,953)</u></u>	<u><u>-</u></u>	<u><u>3,447,295</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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 £
Unrestricted funds				
General fund	789,941	(936,762)	1,000	(145,821)
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>
	792,001	(938,586)	1,000	(145,585)
Restricted funds				
Staff fund	1,525	(948)	-	577
Diocese of Leicester	105	-	-	105
Chapel fund	250	(250)	-	-
Fruit trees	-	(100)	-	(100)
Zoom licence	120	(120)	-	-
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>
TOTAL FUNDS	<u><u>815,122</u></u>	<u><u>(956,075)</u></u>	<u><u>1,000</u></u>	<u><u>(139,953)</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

24. MOVEMENT IN FUNDS - continued

Charity	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	3,175,821	39,797	11,604	3,227,222
St John's Chapel fund	1,500	(920)	-	580
Specific projects	204,214	1,250	-	205,464
Holy Listening	500	-	-	500
Property development fund	48,373	-	-	48,373
IT costs	1,000	(1,000)	-	-
	3,431,408	39,127	11,604	3,482,139
Restricted funds				
Staff fund	698	826	-	1,524
GEMS fund	259	-	-	259
Chapel fund	1,319	(277)	-	1,042
Schools project	6,095	-	-	6,095
Diocese of Leicester	691	3,603	-	4,294
Eco costs	500	(500)	-	-
Garden development	-	1,000	-	1,000
Hearing loop - drawing room	-	1,224	(1,224)	-
Garden shredder	-	10,380	(10,380)	-
	9,562	16,256	(11,604)	14,214
TOTAL FUNDS	<u>3,440,970</u>	<u>55,383</u>	<u>-</u>	<u>3,496,353</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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 £
Unrestricted funds				
General fund	657,331	(619,534)	2,000	39,797
St John's Chapel fund	1,097	(2,017)	-	(920)
IT costs	-	(1,000)	-	(1,000)
Specific projects	1,250	-	-	1,250
Garden	20	(20)	-	-
	<u>659,698</u>	<u>(622,571)</u>	<u>2,000</u>	<u>39,127</u>
Restricted funds				
Staff fund	3,866	(3,040)	-	826
Diocese of Leicester	3,655	(52)	-	3,603
Chapel fund	-	(277)	-	(277)
Zoom licence	119	(119)	-	-
Eco costs	-	(500)	-	(500)
Garden development	1,000	-	-	1,000
Hearing loop - drawing room	1,224	-	-	1,224
Chapel pinnacles	9,240	(9,240)	-	-
Garden shredder	10,380	-	-	10,380
LED's	5,000	(5,000)	-	-
	<u>34,484</u>	<u>(18,228)</u>	<u>-</u>	<u>16,256</u>
TOTAL FUNDS	<u>694,182</u>	<u>(640,799)</u>	<u>2,000</u>	<u>55,383</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

24. MOVEMENT IN FUNDS - continued

Charity

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
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>
Restricted funds				
Staff fund	121	577	-	698
Diocese of Leicester	586	105	-	691
GEMS fund	259	-	-	259
Chapel fund	1,319	-	-	1,319
Schools project	6,095	-	-	6,095
Fruit trees	100	(100)	-	-
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>
TOTAL FUNDS	<u><u>3,569,463</u></u>	<u><u>(128,493)</u></u>	<u><u>-</u></u>	<u><u>3,440,970</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

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 £
Unrestricted funds				
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)
Restricted funds				
Staff fund	1,525	(948)	-	577
Diocese of Leicester	105	-	-	105
Chapel fund	250	(250)	-	-
Fruit trees	-	(100)	-	(100)
Zoom licence	120	(120)	-	-
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>
TOTAL FUNDS	<u>626,926</u>	<u>(756,419)</u>	<u>1,000</u>	<u>(128,493)</u>

24. MOVEMENT IN FUNDS - continued

Designated funds

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.

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.

Restricted funds

Staff fund

To receive donations to benefit the employees of Launde Abbey.

Diocese of Leicester

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

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.

Eco costs

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

Schools project

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

Garden development

A donation received towards the costs of developing the grounds of Launde Abbey.

Hearing loop

Donation to cover the cost of installing a hearing loop in the drawing room.

Garden shredder

Donation to cover the cost of purchasing a shredder for the garden.

24. MOVEMENT IN FUNDS - continued

Transfers between funds

Transfers from restricted funds to unrestricted funds represent assets 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 (2022: £16,054, 2021: £15,812), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £18,054 for 2022 (2021: £18,812) less amounts recharged to Launde Abbey Enterprises Ltd (2022: £1,759, 2021 £Nil).

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 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions

- a) An average discount rate of 2.7% p.a.;
- b) RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- c) CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- d) Increase in pensionable stipends in line with CPIH;
- e) Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

25. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 January	4,000	8,000
Deficit contribution paid	(2,000)	(3,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	(2,000)	(1,000)
Balance sheet liability at 31 December	-	4,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and inflation 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. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2022	December 2021	December 2020
Discount rate	n/a	0.0% pa	0.2% pa
Price inflation	n/a	n/a	3.1% pa
Increase to total pensionable payroll	n/a	-1.5% 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 failed Responsible Body's pension liabilities.

25. EMPLOYEE BENEFIT OBLIGATIONS - continued

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.

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 (2022: £23,889, 2021: £18,717) less amounts recharged to Launde Abbey Enterprises Ltd (2022 £11,233, 2021 £4,808).

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 the failed 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

	31.12.22	31.12.21
	£	£
Contracted but not provided for in the financial statements	<u>7,725</u>	<u>-</u>

28. RELATED PARTY DISCLOSURES

The Leicester Diocesan Board of Finance (LDBF) has loans outstanding at the year end of £865,138 (2021: £865,138). No interest (2021: £Nil) accrued on the loan in the year and repayments of £Nil (2021: £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 Trust £120 (2021: £2,766) for retreats and reimbursed Launde Abbey £3,299 (2021: £9,705) for costs incurred on its behalf. The Leicester Diocesan Board of Finance also paid Launde Abbey Enterprises Ltd £24,885 (2021: £16,056) for retreats during the year. At the year end The Leicester Diocesan Board of Finance owed Launde Abbey Trust £812 (2021: £1,343).

Trustees in the year S Adshead and Mrs M V Wang are also Trustees of the Leicester Diocesan Board of Education. During the year The Leicester Diocesan Board of Education paid Launde Abbey Enterprises Ltd £59 (2021: £93) for retreats.

Trustee J W Kerry is also a trustee of Leicester Cathedral Charitable Trust. During the year Leicester Cathedral Charitable Trust paid Launde Abbey Enterprises Ltd £1,103 (2021: £990) for retreats.

Trustee A F Trotter is also a trustee of Leicester Anglican Cursillo. During the year Leicester Anglican Cursillo paid Launde Abbey Enterprises Ltd £10,099 (2021: £11,747) for retreats.

Trustee Rev S R Griffiths is also a trustee of All Saints Church Oakham. During the year All Saints Church Oakham paid Launde Abbey Enterprises Ltd £154 (2021: £Nil) for retreats.

The total amount of donations received without conditions from trustees was £125 (2021: £300).

29. ULTIMATE CONTROLLING PARTY

The Trust is ultimately controlled by the Board of Trustees.

The Bishop of Leicester who appoints the Trustees is a person with significant control.