

Company registration number: 07454427

Charity registration number: 1141084

# Scalabrini Fathers Company

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Sterling Grove Accountants Limited  
Chartered Certified Accountants and Statutory Auditors  
Fawley House  
2 Regatta Place  
Marlow Road  
Bourne End  
Buckinghamshire  
SL8 5TD

## **Scalabrini Fathers Company**

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## **Scalabrini Fathers Company**

### **Reference and Administrative Details**

<b>Trustees</b>	Father Francesco Buttazzo CS Father Alberto Vico CS Father Giuseppe Bortolazzo CS Father Dung Luc Nguyen Reverend Geraldo Melotti Junior Reverend Mauro Lazzarato Reverend Elio Alberti Reverend Giandomenico Ziliotto Reverend Tam Nguyen Van
<b>Secretary</b>	Ms Katia Bortolazzo
<b>Charity Registration Number</b>	1141084
<b>Company Registration Number</b>	07454427
<b>Registered Office</b>	The charity is incorporated in England. 20 Brixton Road London SW9 6BU
<b>Auditor</b>	Sterling Grove Accountants Limited Chartered Certified Accountants and Statutory Auditors Fawley House 2 Regatta Place Marlow Road Bourne End Buckinghamshire SL8 5TD
<b>Solicitors:</b>	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

## **Scalabrini Fathers Company**

### **Strategic Report for the Year Ended 31 December 2021**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2021, in compliance with s414C of the Companies Act 2006.

#### **Achievements and performance**

At year end Scalabrini Fathers managed to achieve a satisfactory level of financial goals whilst the grassroots of community work as a whole has faced many challenges particularly impacted by the changing dynamics of the immigration settings. The constant changes arising from the integration of communities have seen an increasing demand on raising awareness around many areas including educating, mentoring and spiritual guidance.

On different fronts the demand for affordable accommodation continues to be strong and in doing this Scalabrini Fathers is ensuring the Italian, but not uniquely, young females are given the opportunity to work or study in a safe environment.

#### **Financial review**

In 2021 the Charity's accounts show net income of £195,215 (2020: £107,632).

The church income has recovered following the global pandemic Covid 19 and back to higher levels, as well as the high occupancy levels on the investment properties being maintained.

#### **Policy on reserves**

The policy on reserves is reviewed on a yearly basis and based on the level of income generated during each financial year.

The unrestricted funds are set aside for unforeseen shortfall on cashflow and mainly for the maintenance of fixed assets which will ensure the longevity and the operation of community related activities.

On the coming few years reserves are to be kept on a sustainable level due to planned projects.

#### **Investment policy and objectives**

The trustees have the power to invest in such stocks and shares, investments and property as they see fit. The trustees hold majority funds on deposit with a small investment held in CAF Bank General Fund.

#### **Plans for future periods**

##### ***Aims and key objectives for future periods***

For the future Scalabrini Fathers will continue to work on the advancement of Faith related activities and pastoral work by engaging on community work and developing new facilities for the expansion and the implementation of such aim.

The strategic report was approved by the trustees of the charity on 29 November 2022 and signed on its behalf by:

  
Father Francesco Buttazzo CS  
Trustee

## **Scalabrini Fathers Company**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the 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 on 16 July 2014.

#### **Objectives and activities**

##### ***Objects and aims***

The objects of the charity are for such charitable purposes which advance religious and other charitable work for the time being carried on by or under the direction of the society as trustees with the approval of the Superior shall from time to time think fit. There have been no changes in these objects during the year.

The Scalabrini Fathers run two parishes which are located in Brixton and Bedford.

The aim of the charity is to advance the Catholic faith in the local areas for the benefit of the public, in particular through the holding of regular services, lectures and the public celebration of religious festivals. The charity also provides facilities in the interest of social welfare for leisure time.

##### ***Public benefit***

The Charity offers a variety of services which are aimed at those who worship at our churches and the wider communities and in particular the immigrant and elderly residents.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Father Francesco Buttazzo CS
	Father Alberto Vico CS
	Father Giuseppe Bortolazzo CS
	Father Dung Luc Nguyen
	Reverend Geraldo Melotti Junior
	Reverend Mauro Lazzarato
	Reverend Elio Alberti
	Reverend Giandomenico Ziliotto
	Reverend Tam Nguyen Van (appointed 4 May 2021)

Secretary:	Ms Katia Bortolazzo
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## **Scalabrini Fathers Company**

### **Trustees' Report**

#### **Structure, governance and management**

##### ***Nature of governing document***

Scalabrini Fathers is a company limited by guarantee, it was incorporated 29 November 2010 under registration number 07454427 and governed by its Memorandum and Articles of Associations. The company was registered with the Charity Commission on 1 April 2011 and given the number 1141084

##### ***Recruitment and appointment of trustees***

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is connected to the Villa Scalabrini (Charities Commission reference 1102881) and to the Regional Provincial House in Basel, Switzerland.

The trustees meet on regular basis to review the Charity's performance and issue new guidance if required.

When a need for a new Trustee is identified, a request is made for applicants and then their suitability is discussed and candidate agreed. The new trustee is introduced at the next suitable Trustee meeting but does not become a Trustee until the results of the checks are in and the legal processes have been completed.

##### ***Induction and training of trustees***

Induction takes the form of a meeting with a trustee and where relevant key staff who explain responsibilities and how Scalabrini Father works.

The day to day management of the charity is overseen by Father Nguyen Dung Luc, who reports to trustees regularly.

#### **Financial instruments**

##### ***Objectives and policies***

The charity finances its operations through retaining a high level of cash and other reserves.

##### ***Cash flow risk***

The charity maintains a high level of cash reserves to mitigate cash flow risk.

##### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

##### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

## Scalabrini Fathers Company

### Trustees' Report

#### Statement of trustees' responsibilities

The trustees (who are also the directors of Scalabrini Fathers Company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 29 November 2022 and signed on its behalf by:



Father Francesco Buttazzo CS  
Trustee

## **Scalabrini Fathers Company**

### **Independent Auditor's Report to the Members of Scalabrini Fathers Company**

#### **Opinion**

We have audited the financial statements of Scalabrini Fathers Company (the 'charity') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **Scalabrini Fathers Company**

### **Independent Auditor's Report to the Members of Scalabrini Fathers Company**

#### **Opinion on other matter 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 5), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Scalabrini Fathers Company**

### **Independent Auditor's Report to the Members of Scalabrini Fathers Company**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the environmental waste sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Scalabrini Fathers Company**

### **Independent Auditor's Report to the Members of Scalabrini Fathers Company**

#### **Use of our report**

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



.....  
Mr Gianni Pietro Amasanti FCCA (Senior Statutory Auditor)  
For and on behalf of Sterling Grove Accountants Limited, Statutory Auditor

Fawley House  
2 Regatta Place  
Marlow Road  
Bourne End  
Buckinghamshire  
SL8 5TD

Date: 5 December 2022

## Scalabrini Fathers Company

### Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	305,128	51,892	357,020
Investment income	4	325,785	-	325,785
Total income		<u>630,913</u>	<u>51,892</u>	<u>682,805</u>
<b>Expenditure on:</b>				
Raising funds	5	-	(51,892)	(51,892)
Charitable activities	6	<u>(435,698)</u>	<u>-</u>	<u>(435,698)</u>
Total expenditure		<u>(435,698)</u>	<u>(51,892)</u>	<u>(487,590)</u>
Net income		<u>195,215</u>	<u>-</u>	<u>195,215</u>
Net movement in funds		195,215	-	195,215
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>4,228,970</u>	<u>-</u>	<u>4,228,970</u>
Total funds carried forward	20	<u>4,424,185</u>	<u>-</u>	<u>4,424,185</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	149,213	1,061	150,274
Investment income	4	<u>325,419</u>	<u>-</u>	<u>325,419</u>
Total income		<u>474,632</u>	<u>1,061</u>	<u>475,693</u>
<b>Expenditure on:</b>				
Raising funds	5	-	(1,061)	(1,061)
Charitable activities	6	<u>(367,000)</u>	<u>-</u>	<u>(367,000)</u>
Total expenditure		<u>(367,000)</u>	<u>(1,061)</u>	<u>(368,061)</u>
Net income		<u>107,632</u>	<u>-</u>	<u>107,632</u>
Net movement in funds		107,632	-	107,632
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>4,121,338</u>	<u>-</u>	<u>4,121,338</u>
Total funds carried forward	20	<u>4,228,970</u>	<u>-</u>	<u>4,228,970</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2020 is shown in note 20.

The notes on pages 13 to 24 form an integral part of these financial statements.

**Scalabrini Fathers Company**  
**(Registration number: 07454427)**  
**Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	305,036	305,215
Investments	14	<u>8,766,739</u>	<u>8,766,739</u>
		<u>9,071,775</u>	<u>9,071,954</u>
<b>Current assets</b>			
Debtors	15	10,143	9,554
Cash at bank and in hand	16	<u>1,131,034</u>	<u>930,379</u>
		1,141,177	939,933
<b>Creditors: Amounts falling due within one year</b>	17	<u>(31,045)</u>	<u>(25,195)</u>
<b>Net current assets</b>		<u>1,110,132</u>	<u>914,738</u>
<b>Net assets</b>		<u>10,181,907</u>	<u>9,986,692</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted		4,424,185	4,228,970
Other reserves		<u>5,757,722</u>	<u>5,757,722</u>
Total unrestricted funds		<u>10,181,907</u>	<u>9,986,692</u>
<b>Total funds</b>	20	<u>10,181,907</u>	<u>9,986,692</u>

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 29 November 2022 and signed on their behalf by:

  
 Father Francesco Buttazzo CS  
 Trustee

## Scalabrini Fathers Company

### Statement of Cash Flows for the Year Ended 31 December 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net income		195,215	107,632
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	5	<u>9,379</u>	<u>8,681</u>
		204,594	116,313
<b>Working capital adjustments</b>			
Increase in debtors	15	(589)	(702)
Increase in creditors	17	<u>5,850</u>	<u>1,865</u>
Net cash flows from operating activities		209,855	117,476
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	13	<u>(9,200)</u>	<u>-</u>
Net increase in cash and cash equivalents		200,655	117,476
Cash and cash equivalents at 1 January		<u>930,379</u>	<u>812,903</u>
Cash and cash equivalents at 31 December		<u><u>1,131,034</u></u>	<u><u>930,379</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 13 to 24 form an integral part of these financial statements.

## **Scalabrini Fathers Company**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

20 Brixton Road  
London  
SW9 6BU

These financial statements were authorised for issue by the trustees on 29 November 2022.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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

##### **Basis of preparation**

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

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Scalabrini Fathers Company**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### ***Government grants***

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### ***Taxation***

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### ***Tangible fixed assets***

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.



## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicle	25% reducing balance basis
Fixtures and fittings	25% straight line basis
Office equipment	25% straight line basis
Freehold buildings	Straight line over 50 years

#### Impairment of fixed assets

Assets are regularly reviewed for any impairment and adjustments required to the value is made.

#### Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by either the directors or external valuers. The valuers use observable market prices and the Investment method as their valuation method, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations and gifts	301,648	-	301,648	119,259
Grants, including capital grants;				
Government grants	3,480	-	3,480	29,954
Collections and pilgrimages	-	51,892	51,892	1,061
	<u>305,128</u>	<u>51,892</u>	<u>357,020</u>	<u>150,274</u>

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 4 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	-	-	343
Hospitality income	121,830	121,830	131,595
Income from rents	203,955	203,955	193,481
	<u>325,785</u>	<u>325,785</u>	<u>325,419</u>

#### 5 Expenditure on raising funds

	Note	Restricted funds £	Total 2021 £	Total 2020 £
Collections paid over		51,892	51,892	1,061
		<u>51,892</u>	<u>51,892</u>	<u>1,061</u>

#### 6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Religious and hospitality costs		319,614	319,614	197,895
Grants to province		45,000	45,000	15,000
Staff costs		43,713	43,713	42,009
Governance costs	7	27,371	27,371	112,096
		<u>435,698</u>	<u>435,698</u>	<u>367,000</u>

In addition to the expenditure analysed above, there are also governance costs of £27,371 (2020 - £112,096) which relate directly to charitable activities. See note 7 for further details.

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 7 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Audit fees			
Audit of the financial statements	7,500	7,500	7,320
Other fees paid to auditors	927	927	749
Legal fees	18,944	18,944	104,027
	<u>27,371</u>	<u>27,371</u>	<u>112,096</u>

#### 8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Audit fees	7,500	7,320
Other non-audit services	927	749
Depreciation of fixed assets	<u>9,379</u>	<u>8,681</u>

#### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	42,850	40,935
Social security costs	-	256
Pension costs	863	818
	<u>43,713</u>	<u>42,009</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Community	2	2
Trustees	7	7
	<u>9</u>	<u>9</u>

2 (2020 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

#### 11 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>7,500</u>	<u>7,320</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>927</u>	<u>749</u>

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2021	349,727	72,550	11,437	433,714
Additions	<u>-</u>	<u>-</u>	<u>9,200</u>	<u>9,200</u>
At 31 December 2021	<u>349,727</u>	<u>72,550</u>	<u>20,637</u>	<u>442,914</u>
<b>Depreciation</b>				
At 1 January 2021	48,636	70,853	9,010	128,499
Charge for the year	<u>5,624</u>	<u>848</u>	<u>2,907</u>	<u>9,379</u>
At 31 December 2021	<u>54,260</u>	<u>71,701</u>	<u>11,917</u>	<u>137,878</u>
<b>Net book value</b>				
At 31 December 2021	<u>295,467</u>	<u>849</u>	<u>8,720</u>	<u>305,036</u>
At 31 December 2020	<u>301,091</u>	<u>1,697</u>	<u>2,427</u>	<u>305,215</u>

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 14 Fixed asset investments

	2021 £	2020 £
Investment properties	<u>8,766,739</u>	<u>8,766,739</u>
<b>Investment properties</b>		<b>Investment properties £</b>
<b>Cost or Valuation</b>		
At 1 January 2021		<u>8,766,739</u>
<b>Provision</b>		
At 31 December 2021		<u>-</u>
<b>Net book value</b>		
At 31 December 2021		<u>8,766,739</u>
At 31 December 2020		<u>8,766,739</u>

During the year the directors have undertaken a valuation of all investment properties.

The basis of the directors valuation was on an open market basis for existing use basis at a value of £8,766,739 (2020: £8,766,739).

In 2018 an external valuer was used to value 3 of the 5 investment properties held. The directors have adopted the methods and assumptions used by the external valuer as the basis of their calculations for 2021. The methods used were a combination of observable market comparables and the Investment method of valuation.

The directors are of the opinion that there has not been any material movement in the fair values of the 5 investment properties during the reporting period.

This class of asset has a carrying amount at historical cost of £3,009,017 (2020: £3,009,017).  
No depreciation is provided in respect of investment properties.

All investment assets were held in the UK.

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 15 Debtors

	2021 £	2020 £
Trade debtors	1,597	1,597
Prepayments	6,135	5,825
Other debtors	2,411	2,132
	<u>10,143</u>	<u>9,554</u>

#### 16 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	2,661	807
Cash at bank	1,128,373	929,572
	<u>1,131,034</u>	<u>930,379</u>

#### 17 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,108	-
Other creditors	23,337	18,595
Accruals	6,600	6,600
	<u>31,045</u>	<u>25,195</u>

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £863 (2020 - £818).

#### 19 Reserves

	Other reserves £	Total £
At 1 January 2021	<u>5,757,722</u>	<u>5,757,722</u>



## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 20 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General fund	4,228,970	630,913	(435,698)	4,424,185
<b>Restricted funds</b>				
Collection fund	-	3,500	(3,500)	-
Passport services	-	48,392	(48,392)	-
	-	51,892	(51,892)	-
<b>Total funds</b>	<u>4,228,970</u>	<u>682,805</u>	<u>(487,590)</u>	<u>4,424,185</u>
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>				
General fund	4,121,338	474,632	(367,000)	4,228,970
<b>Restricted funds</b>				
Collection fund	-	1,061	(1,061)	-
<b>Total funds</b>	<u>4,121,338</u>	<u>475,693</u>	<u>(368,061)</u>	<u>4,228,970</u>

The specific purposes for which the funds are to be applied are as follows:

The Restricted income is made up of Collection fund and Passport services.

The Collection fund represents those second collections made on certain occasions at the various parishes which are for specific charitable causes and are passed on by the charity.

The Woking church carried out two separate second collections one for Senegal in Africa and the other was a collection for the transport a girl's body to Ukraine and her funeral there.

The Passport services are where the charity provided assistance to the Italian Authorities to meet those who needed to renew their passports. The money was collected from these people and passed onto the Italian Consulate.

## Scalabrini Fathers Company

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 21 Analysis of net funds

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	930,379	200,655	1,131,034
Net debt	930,379	200,655	1,131,034
	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	812,903	117,476	930,379
Net debt	812,903	117,476	930,379

#### 22 Related party transactions

During the year the charity made the following related party transactions:

##### Villa Scalabrini

(Villa Scalabrini is a registered charity under the Charity Commission reference 1102881, who has common trustees.)

Donations totalling £42,000 (2020: £32,500) was received in the year from Villa Scalabrini. At the balance sheet date the amount due to/from Villa Scalabrini was £Nil (2020 - £Nil).

There were no further related party transactions in the year.

#### 23 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2021 £
Tangible fixed assets	305,036	305,036
Fixed asset investments	8,766,739	8,766,739
Current assets	1,141,177	1,141,177
Current liabilities	(31,045)	(31,045)
Total net assets	10,181,907	10,181,907
	Unrestricted funds General £	Total funds at 31 December 2020 £
Tangible fixed assets	305,215	305,215
Fixed asset investments	8,766,739	8,766,739
Current assets	939,933	939,933
Current liabilities	(25,195)	(25,195)
Total net assets	9,986,692	9,986,692