

ST ETHELDREDA TRUST

England & Wales · Charity number 1154426

Details

Status Registered

Legal form Trust

Registered 2013-11-01

Register [View on the Charity Commission register](#)

Contact

Address St. Etheldredas Catholic Church
14 Ely Place
London
EC1N 6RY

Phone 02074051061

Email enquiries@stetheldreda.com

Website www.stetheldreda.com

Activities

Objects: (1) TO HOLD AND MAKE AVAILABLE THE CHAPEL OF ST ETHELDREDA'S, ELY PLACE, LONDON EC1N 6RY FOR THE PURPOSES OF A ROMAN CATHOLIC CHURCH AND THE CONDUCT OF ROMAN CATHOLIC RELIGIOUS SERVICES TO BE SERVED OR OFFICIATED IN SOLELY AND EXCLUSIVELY BY ROMAN CATHOLIC PRIESTS.(2) TO HOLD AND MAKE AVAILABLE OTHER PREMISES OWNED BY THE TRUST FOR THE RESIDENCE OF THE PRIEST OR PRIESTS BY WHOM THE SAID CHURCH SHALL FROM TIME TO TIME BE SERVED.(3) TO LET THE PREMISES OWNED BY THE TRUST (OR ANY PART THEREOF) AT SUCH RENT AND GENERALLY UPON SUCH TERMS AND CONDITIONS AS THE TRUSTEES MAY THINK FIT AND TO APPLY ANY SUCH RENTS FOR SUCH CHARITABLE PURPOSES FOR THE PROMOTION AND MAINTENANCE OF THE ROMAN CATHOLIC RELIGION AS THE TRUSTEES IN THEIR DISCRETION MAY THINK FIT.

Activities: To provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Religious Activities
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£243,390	£192,232	-	-
2023-12-31	£242,393	£182,986	-	-
2022-12-31	£207,414	£98,594	-	-
2021-12-31	£161,313	£58,348	-	-
2020-12-31	£131,948	£89,001	-	-

Trustees

Name	Role	Appointed
Fr Christopher John Fuse IC		2019-07-10
Fr David John Myers IC		2013-10-21
Fr Joseph O'Reilly		2023-12-08
Fr Tony Furlong IC		2013-10-21
Tom Thomas		2022-11-09

ST ETHELDREDA TRUST

England & Wales - Charity number 1154426

Accounts

St Etheldreda Trust

Annual Report and Accounts

31 December 2024

Charity Registration Number
1154426 (England and Wales)

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Reference and administrative information

Trustees	Father Christopher Fuse IC Father Anthony Furlong IC Father David Myers IC Father Joseph O'Reilly IC Father Tom Thomas IC
Principal office	St Etheldreda's Roman Catholic Church 14 Ely Place London EC1N 6RY
Charity registration number	1154426
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC plc 69 Pall Mall London SW1 5EY

Trustees' report Year to 31 December 2024

The trustees present their annual report together with the accounts of St Etheldreda Trust for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, regulations applicable to that Act, 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 (FRS 102).

Objectives and activities

The principal aim of the charity is to provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

The trustees have taken due consideration of the Charity Commission's guidance on Public Benefit in reviewing the charity's activities and plans.

Achievements and performance

Review of the year

The charity spent the year fulfilling its charitable objectives of providing a place for Roman Catholic worship. It also focussed on continuing to pay down the loans that it took out in order to finance the acquisition and refurbishment of 13 Ely Place, which was completed in 2015.

Financial review

The income of the charity derives entirely from donations and legacies, rental income and income from crypt hire. Total income for the year amounted to £243,390 (2023 – £242,393). Total expenditure was £192,232 (2023 – £182,986). This results in net income before investment gains and losses of £51,158 (2023 – £59,407).

Complete details of the income and expenditure are shown in the statement of the financial activities on page 10 and in the notes to the accounts.

Reserves policy

At 31 December 2024 the charity had total reserves of £2,255,430 (2023 – £2,039,272). At 31 December 2024 and 31 December 2023, none of the funds were restricted. £1,576,437 (2023 – £1,597,403) was a tangible fixed assets fund represented by the charity's tangible fixed assets in recognition of the fact that these are essential to the day-to-day work of the charity and as such their value should not be regarded as realisable with ease in order to meet future liabilities.

The balance on the general fund, as at 31 December 2024 was £678,993 (2023 – £441,869). This balance is represented by the investment property, a loan secured against the property and the charity's net current assets. The charity had net current assets at 31 December 2024 of £54,038 (2023 – £9,342) and expects to be able to build up further reserves over the next few years. It intends, wherever possible, to continue to use these reserves to accelerate the capital repayments on the loans that the Trust had to take out in order to fund the property purchase.

Future plans

The future plans of the charity are to continue to preserve and maintain the historic fabric of St Etheldreda's Church and the adjoining buildings that it owns in furtherance of its charitable objects.

Structure, governance and management

Constitution

The charity is governed by a trust deed dated 24 July 1885 and is registered under the Charities Act 2011, Charity Registration No. 1154426.

Trustees

The trustees of the charity are set out on page 1.

New trustees are appointed by the existing trustees but require the approval of the Archbishop of the Roman Catholic Diocese of Westminster.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The trustees receive no remuneration or reimbursement of expenses.

Risk management

The charity's principal assets comprise the historic grade I listed church building dating back to the 13th century and the two adjacent five-storey mid-Georgian town houses at 13 and 14 Ely Place. The charity has taken out comprehensive policies of insurance with the Catholic Church Insurance Association to cover these buildings against all standard risks. These policies (including the insurable value of the buildings) are reviewed annually.

The charity was obliged to take out a significant loan from HSBC Bank plc guaranteed by the Westminster Roman Catholic Diocesan Trust in connection with its acquisition of 13 Ely Place (see notes 12 and 13 to the accounts). It services the interest accruing on this loan and pays down the capital borrowed using the monies that it derives from its two main income streams, namely letting out 13 Ely Place to commercial tenants and hiring out the crypt for functions organised by an outside caterer.

13 Ely Place was let out for an initial 10-year term from June 2015 to May 2025 and this lease was renewed for another 10-year term starting on 1 June 2025 on substantially similar terms (including a further 5-year break clause in favour of the tenants), but with an increase in the annual rental payable by the tenants. The tenant is an incorporated set of barristers, Mountford Chambers Limited. The tenant's obligations under the lease are guaranteed by four individuals who are barristers at Mountford Chambers Limited (including its current head of chambers).

Finally, in the event that damage to 13 Ely Place (e.g. from a fire) were to lead to a temporary interruption in the income stream derived from letting out the premises, the charity has taken out a separate insurance for 13 Ely Place to protect itself against loss of income for up to two years.

Structure, governance and management (continued)

Risk management (continued)

The charity's other main income stream is derived from letting out St Etheldreda's historic crypt to outside caterers pursuant to an arrangement that has operated successfully for more than 30 years. In the unlikely event of the current catering firm deciding to discontinue its regular hire of the crypt, the trustees envisage little difficulty in attracting an alternative provider, as the crypt is a unique and very popular venue for social functions in the local area and now also benefits from the adjacent landscaped inner courtyard next to the cloister that has recently been opened up and is also available for functions. St Etheldreda's is located close to a large number of professional services firms, many of whom already use the crypt on a regular basis.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

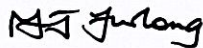
Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:

Trustee



Approved on:

4/8/25

Independent auditor's report to the trustees of St Etheldreda Trust

Opinion

We have audited the accounts of St Etheldreda Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement as set out on pages 4 and 5, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

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

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- ◆ 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 charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring expenditure was approved in line with the charity's procedures.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts disclosures to underlying supporting documentation; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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 trustees 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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 August 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2024

	Notes	2024 £	2023 £
Income from:			
Donations and legacies	1	13,799	12,611
Investment property rentals	2	108,030	107,670
Other trading activities	3	121,561	122,112
Total income		243,390	242,393
Expenditure on:			
Raising funds	4	68,481	64,351
Charitable activities	5	123,751	118,635
Total expenditure		192,232	182,986
Net income before investment losses		51,158	59,407
Unrealised gains (losses) on investment property	10	165,000	(679,960)
Net income (expenditure) and net movement in funds		216,158	(620,553)
Reconciliation of funds:			
Funds brought forward at 1 January 2024		2,039,272	2,659,825
Funds carried forward at 31 December 2024		2,255,430	2,039,272

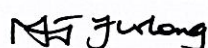
All of the charity's activities derived from continuing operations during the above two financial periods.

All income and expenditure in the above two years related to unrestricted funds.

Balance sheet 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		1,576,437		1,597,403
Investment property	10		1,615,040		1,450,040
			<u>3,191,477</u>		<u>3,047,443</u>
Current assets					
Debtors	11	69,025		49,389	
Cash at bank and in hand		<u>58,624</u>		<u>20,752</u>	
		127,649		70,141	
Creditors: amounts falling due within one year	12	<u>(73,611)</u>		<u>(60,799)</u>	
Net current assets			54,038		9,342
Total assets less current liabilities			3,245,515		3,056,785
Creditors: amounts falling due after more than one year	13		<u>(990,085)</u>		<u>(1,017,513)</u>
Total net assets			<u>2,255,430</u>		<u>2,039,272</u>
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	15	1,576,437		1,597,403	
. General fund		<u>678,993</u>		<u>441,869</u>	
			2,255,430		2,039,272
			<u>2,255,430</u>		<u>2,039,272</u>

Approved by the trustees
and signed on their behalf by:



Trustee

Approved by the trustees on: 4/8/25

Statement of cash flows Year to 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	23,710	8,910
Cash flows from investing activities:			
Investment property rent received		108,030	107,670
Purchase of tangible fixed assets		—	(91,553)
Net cash provided by investing activities		108,030	16,117
Cash flows from financing activities:			
Repayments of borrowing		(25,387)	(23,558)
Interest on borrowing		(68,481)	(64,351)
Net cash used in financing activities		(93,868)	(87,909)
Change in cash and cash equivalents in the year		37,872	(62,882)
Cash and cash equivalents at 1 January 2024	B	20,752	83,634
Cash and cash equivalents at 31 December 2024	B	58,624	20,752

Notes to the statement of cash flows for the year to 31 December 2024

A Reconciliation of net movement in funds to net cash provided by operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	216,158	(620,553)
Adjustments for:		
Depreciation charge	20,966	14,028
(Gains) losses on revaluation of investment property	(165,000)	679,960
Investment property rent receivable	(108,030)	(107,670)
Increase in debtors	(19,636)	(17,338)
Increase in creditors	79,252	60,483
Net cash provided by operating activities	23,710	8,910

B Analysis of cash and cash equivalents

	2024 £	2023 £
Total cash and cash equivalents: Cash at bank and in hand	58,624	20,752

C Analysis of changes in net debt

	2023 £	Cash flows £	Other non-cash changes £	2024 £
Cash at bank and in hand	20,752	37,872	—	58,624
Loans falling due within one year	(23,346)	25,387	(27,428)	(25,387)
Loans falling due after more than one year	(1,017,513)	—	27,428	(990,085)
	(1,020,107)	63,259	—	(956,848)

Principal accounting policies 31 December 2024

The principal accounting policies adopted, judgements used and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of accounting

These accounts have been prepared for the year to 31 December 2024 with comparative information provided for the year to 31 December 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life and residual value of tangible fixed assets for the purpose of determining the annual depreciation charge or no depreciation charge;
- ◆ Estimating the market value of investment property; and

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Rental income from hiring out the crypt for functions has remained steady at £121,561 for the financial year 2024, compared to £122,112 in the previous year (2023). Moreover, the popularity of St Etheldreda's as a venue for functions (including wedding receptions) has been enhanced as a result of the inner courtyard now having been opened up to the public and landscaped in 2023, thus providing an almost unique outside amenity in the area.

Assessment of going concern (continued)

In addition, the Trust's rental income from the lease it has granted over 13 Ely Place (£107,670 in 2024, rising to £120,000 a year from 1 June 2025) has continued uninterrupted throughout. Given the location and condition of this investment property at 13 Ely Place, London (see risk management section in the trustees' report) and the property's proximity to the new Elizabeth Line (Crossrail) at the nearby Farringdon station, the trustees are confident that 13 Ely Place will remain a very desirable rental property in the area. Indeed, following the completion of its refurbishment, 13 Ely Place won the national 2015 Georgian Group architectural award for the best reuse of a Georgian building.

The trustees are, therefore, confident that the charity will remain a going concern and that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, rental income from investment property, interest receivable and rental income from the hiring out of the crypt at St Etheldreda's Church.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the charity.

Rental income from investment property is recognised when it becomes contractually due under the relevant lease or tenancy agreement and receipt is considered probable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the rental of the crypt is recognised as income on the date on which the crypt is used by the person or organisation that has entered into the hire agreement and when receipt is considered probable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises the following:

- a. The costs of raising funds comprise bank charges and interest payable on the charity's long term mortgage, legal and professional fees in relation to investment property agreements and leases, and investment property expenses.
- b. The costs of charitable activities comprise the costs of providing a place of Roman Catholic worship open to members of the general public, served by a Roman Catholic priest.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are allocated to the cost of charitable activities.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its useful estimated life:

- ◆ Freehold land and buildings – nil.
- ◆ Freehold property improvements – 10%.
- ◆ Fixtures and fittings – 10%.

As permitted by FRS 102, with effect from 1 January 2014 freehold land and buildings are included in the accounts at deemed cost. The freehold buildings are not depreciated. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

Investment property

Investment property is stated at its estimated market value based on a trustees' valuation, having taken professional advice.

Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The restricted funds comprise monies subject to donor imposed conditions as to use or to monies received in response to a specific appeal.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the charitable activities. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

1. Income from: Donations and legacies

	Unrestricted funds	
	2024 £	2023 £
Donations	13,799	11,611
Legacies	—	1,000
	13,799	12,611

2. Income from: Investment property rentals

	Unrestricted funds	
	2024 £	2023 £
Rental income from investment properties	108,030	107,670

3. Income from: Other trading activities

	Unrestricted funds	
	2024 £	2023 £
Rental income from the crypt	121,561	122,112

4. Expenditure on: Raising funds

	Unrestricted funds	
	2024 £	2023 £
Loan interest	68,481	64,351
Bank charges	—	—
	68,481	64,351

5. Expenditure on: Charitable activities

	Un- restricted funds £	Restricted funds £	2024 £	Un- restricted funds £	Restricted funds £	2023 £
Staff costs	12,012	—	12,012	12,012	—	12,012
Premises costs (including irrecoverable VAT)	39,262	—	39,262	66,186	—	66,186
Depreciation	20,966	—	20,966	14,028	—	14,028
Legal and professional fees	13,111	—	13,111	2,129	—	2,129
Governance costs (note 6)	8,400	—	8,400	4,280	—	4,280
Cross parish subsidy	30,000	—	30,000	20,000	—	20,000
Total	123,751	—	123,751	118,635	—	118,635

6. Governance costs

	2024 £	2023 £
Auditor's remuneration		
. Audit fees	8,400	4,280
	8,400	4,280

7. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	12,012	12,012

No employee earned over £60,000 per annum or more (including taxable benefits) during the year (2023 – none). There is one employee (2023 – one).

The key management personnel in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees. The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2023 – £nil).

8. Taxation

St Etheldreda Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9. Tangible fixed assets

	Freehold property £	Freehold property improvements £	Fixtures and fittings £	Total £
Cost				
At 1 January and 31 December 2024	1,478,000	209,660	2,613	1,690,273
Depreciation				
At 1 January 2024	—	90,257	2,613	92,870
Charge for the year	—	20,966	—	20,966
At 31 December 2024	—	111,223	2,613	113,836
Net book values				
At 31 December 2024	1,478,000	98,437	—	1,576,437
At 31 December 2023	1,478,000	119,403	—	1,597,403

10. Investment property

	2024 £	2023 £
At 1 January 2024	1,450,040	2,130,000
Revaluation in the year	165,000	(679,960)
At 31 December 2024	1,615,040	1,450,040

The investment property comprises 13 Ely Place, London EC1. It is stated at its fair value which is deemed to be open market value as at 31 December 2024, determined by the trustees with professional assistance.

The property is subject to legal charges as explained in note 13 below.

11. Debtors

	2024 £	2023 £
Prepayments and accrued income	69,025	49,389

12. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	33,025	29,165
Other creditors	7	7
VAT liability	15,192	8,281
Bank loan (note 13)	25,387	23,346
	73,611	60,799

Deferred income comprises rental income received in advance.

	2024 £	2023 £
Balance as at 1 January 2024	24,885	24,525
Amount released in year	(24,885)	(24,525)
Amount deferred in year	24,525	24,885
Balance as at 31 December 2024	24,525	24,885

13. Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loan	990,085	1,017,513

The charity has a loan from HSBC Bank plc, the capital value of which was £1,500,000 prior to any repayment. The loan was to assist in the purchase of the property situated at 13 Ely Place, London, secured by a first mortgage on the said property and the presbytery at 14 Ely Place. The loan is for a term of 30 years from the date of the first draw down in May 2014 and no repayments were due until May 2016. Interest on the loan is charged at 1.5% per annum over the Bank of England's base rate. The bank reserves the right to re-evaluate the loan and potentially require the loan to be fully repaid, every five years from the first drawdown. The Westminster Roman Catholic Diocesan Trust has provided a guarantee to HSBC plc in respect to this loan and has been granted a second legal charge over 13 Ely Place, London.

14. Related party transactions

St Etheldreda's Church serves the Parish of St Etheldreda's (Ely Place) within the Roman Catholic Diocese of Westminster. Starting in May 2023, the trustees of the charity agreed to contribute up to £40,000 a year towards the running costs of Ely Place Parish. The Parish's revenue stream was, in common with many churches, badly affected when it had to shut for prolonged periods in 2020 and 2021 due to the Covid-19 pandemic and these revenues have not yet fully recovered to pre-Covid levels. Another factor that has adversely affected the Parish was the decision by the Mayor of London to impose the London congestion and ULEX charges on the use of cars on Sundays, starting in June 2020. Ely Place Parish has historically attracted congregants from well outside its parish boundaries and many of them used to drive to attend Sunday Mass at St Etheldreda's. The cumulative impact of these factors means that attendance figures and donations at the Parish's two Sunday masses continue to be well down compared to the period prior to 2020. It is this that motivated the trustees to provide a cross-subsidy to the Parish until such time as its finances have fully recovered. The amount paid in the year 2024 was £30,000 (2023: £20,000).

The Westminster Roman Catholic Diocesan Trust has provided a guarantee to secure a loan of £1,500,000 from HSBC bank plc and has been granted a second legal charge over 13 Ely Place, London.

15. Tangible fixed assets fund

	2024 £	2023 £
At 1 January 2024	1,597,403	1,519,878
Net movement in the year	(20,966)	77,525
At 31 December 2024	1,576,437	1,597,403

16. Net assets by fund

	General fund £	Tangible fixed assets fund £	2024 Total £
Tangible fixed assets	—	1,576,437	1,576,437
Investment property	1,615,040	—	1,615,040
Net current assets	54,038	—	54,038
Creditors: amounts falling due after more than one year	(990,085)	—	(990,085)
	678,993	1,576,437	2,255,430

	General fund £	Tangible fixed assets fund £	2023 Total £
Tangible fixed assets	—	1,597,403	1,597,403
Investment property	1,450,040	—	1,450,040
Net current assets	9,342	—	9,342
Creditors: amounts falling due after more than one year	(1,017,513)	—	(1,017,513)
	441,869	1,597,403	2,039,272

ST ETHELDREDA TRUST

England & Wales - Charity number 1154426

Accounts

St Etheldreda Trust

Annual Report and Accounts

31 December 2023

Charity Registration Number
1154426 (England and Wales)

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Reference and administrative information

Trustees	Father Christopher Fuse IC Father Anthony Furlong IC Father David Myers IC Father Joseph O'Reilly IC Father Tom Thomas IC
Principal office	St Etheldreda's Roman Catholic Church 14 Ely Place London EC1N 6RY
Charity registration number	1154426
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC plc 69 Pall Mall London SW1 5EY

Trustees' report Year to 31 December 2023

The trustees present their annual report together with the accounts of St Etheldreda Trust for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, regulations applicable to that Act, 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 (FRS 102).

Objectives and activities

The principal aim of the charity is to provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

The trustees have taken due consideration of the Charity Commission's guidance on Public Benefit in reviewing the charity's activities and plans.

Achievements and performance

Review of the year

The charity spent the year fulfilling its charitable objectives of providing a place for Roman Catholic worship. It also focussed on continuing to pay down the loans that it took out in order to finance the acquisition and refurbishment of 13 Ely Place, which was completed in 2015.

The charity also opened up and landscaped the inner courtyard next to the cloister for use by the parish and for functions (including wedding receptions).

Financial review

The income of the charity derives entirely from donations and legacies, rental income and income from crypt hire. Total income for the year amounted to £242,393 (2022 – £207,414). Total expenditure was £182,986 (2022 – £98,594). This results in net income before investment losses of £59,407 (2022 – £108,820).

Complete details of the income and expenditure are shown in the statement of the financial activities on page 10 and in the notes to the accounts.

Reserves policy

At 31 December 2023 the charity had total reserves of £2,039,272 (2022 – £2,659,825). At 31 December 2023 and 31 December 2022, none of the funds were restricted. £1,597,403 (2022 – £1,519,878) was a tangible fixed assets fund represented by the charity's tangible fixed assets in recognition of the fact that these are essential to the day-to-day work of the charity and as such their value should not be regarded as realisable with ease in order to meet future liabilities.

Achievements and performance (continued)

Reserves policy (continued)

The balance on the general fund, which is also equal to the free reserves, as at 31 December 2023 was £441,869 (2022 – £1,139,947). This balance is represented by the investment property, a loan secured against the property and the charity's net current assets. The charity had net current assets at 31 December 2023 of £9,342 (2022 – £37,050) and expects to be able to build up further reserves over the next few years. It intends, wherever possible, to continue to use these reserves to accelerate the capital repayments on the loans that the Trust had to take out in order to fund the property purchase.

Future plans

The future plans of the charity are to continue to preserve and maintain the historic fabric of St Etheldreda's Church and the adjoining buildings that it owns in furtherance of its charitable objects.

Structure, governance and management

Constitution

The charity is governed by a trust deed dated 24 July 1885 and is registered under the Charities Act 2011, Charity Registration No. 1154426.

Trustees

The trustees of the charity are set out on page 1.

New trustees are appointed by the existing trustees, but require the approval of the Archbishop of the Roman Catholic Diocese of Westminster.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The trustees receive no remuneration or reimbursement of expenses.

Risk management

The charity's principal assets comprise the historic grade I listed church building dating back to the 13th century and the two adjacent five-storey mid-Georgian town houses at 13 and 14 Ely Place. The charity has taken out comprehensive policies of insurance with the Catholic Church Insurance Association to cover these buildings against all standard risks. These policies (including the insurable value of the buildings) are reviewed annually.

The charity was obliged to take out a significant loan from HSBC Bank plc guaranteed by the Westminster Roman Catholic Diocesan Trust in connection with its acquisition of 13 Ely Place (see notes 12 and 13 to the accounts). It services the interest accruing on this loan and pays down the capital borrowed using the monies that it derives from its two main income streams, namely letting out 13 Ely Place to commercial tenants and hiring out the crypt for functions organised by an outside caterer.

Structure, governance and management (continued)

Risk management (continued)

13 Ely Place is let out for a term of 10 years from June 2015 to May 2025. The tenants are an incorporated set of barristers, Mountford Chambers Limited. The tenants' obligations under the lease remain guaranteed by the three named individuals who were signatories to the original lease in 2015 and are, in addition, guaranteed by four further individuals who are barristers at Mountford Chambers Limited (including its current head of chambers). In May 2024, the charity and Mountford Chambers limited reached agreement in principle to renew the lease for another 10-year term starting in June 2025 on substantially similar terms as the existing lease (including a 5-year break clause in favour of the tenants), but with a modest increase in the annual rental payable by the tenants. The current expectation is that the terms of this new lease will be finalised by the end of 2024.

Finally, in the event that damage to 13 Ely Place (e.g. from a fire) were to lead to a temporary interruption in the income stream derived from letting out the premises, the charity has taken out a separate insurance for 13 Ely Place to protect itself against loss of income for up to two years.

The charity's other main income stream is derived from letting out St Etheldreda's historic crypt to outside caterers pursuant to an arrangement that has operated successfully for more than 20 years. In the unlikely event of the current catering firm deciding to discontinue its regular hire of the crypt, the trustees envisage little difficulty in attracting an alternative provider, as the crypt is a unique and very popular venue for social functions in the local area and now also benefits from the adjacent landscaped inner courtyard next to the cloister that has recently been opened up and is also available for functions. St Etheldreda's is located close to a large number of professional services firms, many of whom already use the crypt on a regular basis.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:



Trustee
Father Tom Thomas IC
Approved on:

10/10/2024

Independent auditor's report to the trustees of St Etheldreda Trust

Opinion

We have audited the accounts of St Etheldreda Trust (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement as set out on pages 4 and 5, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

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

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- ◆ 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 charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's procedures.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts disclosures to underlying supporting documentation; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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 trustees 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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
11 October 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2023

	Notes	2023 £	2022 £
Income from:			
Donations and legacies	1	12,611	1,100
Investment property rentals	2	107,670	107,748
Other trading activities	3	122,112	98,566
Total income		242,393	207,414
Expenditure on:			
Raising funds	4	64,351	32,497
Charitable activities	5	118,635	66,097
Total expenditure		182,986	98,594
Net income before investment losses		59,407	108,820
Unrealised losses on investment property		(679,960)	—
Net (expenditure) income and net movement in funds		(620,553)	108,820
Reconciliation of funds:			
Funds brought forward at 1 January 2023		2,659,825	2,551,005
Funds carried forward at 31 December 2023		2,039,272	2,659,825

All of the charity's activities derived from continuing operations during the above two financial periods.

All income and expenditure in the above two years related to unrestricted funds.

Balance sheet 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		1,597,403		1,519,878
Investment property	10		1,450,040		2,130,000
			<u>3,047,443</u>		<u>3,649,878</u>
Current assets					
Debtors	11	49,389		32,051	
Cash at bank and in hand		<u>20,752</u>		<u>83,634</u>	
		<u>70,141</u>		<u>115,685</u>	
Creditors: amounts falling due within one year	12	<u>(60,799)</u>		<u>(78,635)</u>	
Net current assets			<u>9,342</u>		<u>37,050</u>
Total assets less current liabilities			<u>3,056,785</u>		<u>3,686,928</u>
Creditors: amounts falling due after more than one year	13		<u>(1,017,513)</u>		<u>(1,027,103)</u>
Total net assets			<u>2,039,272</u>		<u>2,659,825</u>
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	15	1,597,403		1,519,878	
. General fund		<u>441,869</u>		<u>1,139,947</u>	
			<u>2,039,272</u>		<u>2,659,825</u>
			<u>2,039,272</u>		<u>2,659,825</u>

Approved by the trustees
and signed on their behalf by:

Ben Thomas

Trustee

Father Tom Thomas IC

Approved by the trustees on:

10/10/2024

Statement of cash flows Year to 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	8,910	47,769
Cash flows from investing activities:			
Investment property rent received		107,670	107,748
Purchase of tangible fixed assets		(91,553)	—
Net cash provided by investing activities		16,117	107,748
Cash flows from financing activities:			
Repayments of borrowing		(23,558)	(187,050)
Interest on borrowing		(64,351)	(32,745)
Net cash used in financing activities		(87,909)	(219,795)
Change in cash and cash equivalents in the year		(62,882)	(64,278)
Cash and cash equivalents at 1 January 2023	B	83,634	147,912
Cash and cash equivalents at 31 December 2023	B	20,752	83,634

Notes to the statement of cash flows for the year to 31 December 2023

A Reconciliation of net movement in funds to net cash provided by operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(620,553)	108,820
Adjustments for:		
Depreciation charge	14,028	12,072
Losses on revaluation of investment property	679,960	—
Investment property rent receivable	(107,670)	(107,748)
Increase in debtors	(17,338)	(26,386)
Increase in creditors	60,483	61,011
Net cash provided by operating activities	8,910	47,769

B Analysis of cash and cash equivalents

	2023 £	2022 £
Total cash and cash equivalents: Cash at bank and in hand	20,752	83,634

C Analysis of changes in net debt

	2022 £	Cash flows £	Other non- cash changes £	2023 £
Cash at bank and in hand	83,634	(62,882)	—	20,752
Loans falling due within one year	(37,314)	23,558	(9,590)	(23,346)
Loans falling due after more than one year	(1,027,103)	—	9,590	(1,017,513)
	(980,783)	39,324	—	(1,020,107)

Principal accounting policies 31 December 2023

The principal accounting policies adopted, judgements used and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of accounting

These accounts have been prepared for the year to 31 December 2023 with comparative information provided for the year to 31 December 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of calculating depreciation;
- ◆ Estimating the market value of investment property; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Rental income from hiring out the crypt for functions has, as expected, continued to recover strongly from 2020 and 2021, when the Church and its crypt had to be closed to the public for prolonged periods as a result of the ongoing Covid-19 pandemic. This upward trajectory is reflected in rental income of £122,112 for the financial year 2023, compared to just £98,566 in 2022. Moreover, the expectation is that the popularity of St Etheldreda's as a venue for functions (including wedding receptions) will only increase as a result of the inner courtyard now having been opened up to the public and landscaped, thus providing an almost unique outside amenity in the area.

Assessment of going concern (continued)

In addition, the Trust's rental income from the lease it has granted over 13 Ely Place (£107,670 in 2023) has continued uninterrupted throughout. Given the location and condition of this investment property at 13 Ely Place, London (see risk management section in the trustees' report) and the fact that the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that 13 Ely Place continues to be a very desirable property. Indeed, agreement has already been reached in principle with the current tenants to renew the lease for another 10-year term when the term of the current lease expires at the end of May 2025. The current expectation is that this new lease will be signed by the end of 2024.

The trustees are, therefore, confident that the charity will remain a going concern and that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, rental income from investment property, interest receivable and rental income from the hiring out of the crypt at St Etheldreda's Church.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the charity.

Rental income from investment property is recognised when it becomes contractually due under the relevant lease or tenancy agreement and receipt is considered probable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the rental of the crypt is recognised as income on the date on which the crypt is used by the person or organisation that has entered into the hire agreement and when receipt is considered probable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises the following:

- a. The costs of raising funds comprise bank charges and interest payable on the charity's long term mortgage, legal and professional fees in relation to investment property agreements and leases, and investment property expenses.
- b. The costs of charitable activities comprise the costs of providing a place of Roman Catholic worship open to members of the general public, served by a Roman Catholic priest.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are allocated to the cost of charitable activities.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its useful estimated life:

- ◆ Freehold land and buildings – nil.
- ◆ Freehold property improvements – 10%.
- ◆ Fixtures and fittings – 10%.

As permitted by FRS 102, with effect from 1 January 2014 freehold land and buildings are included in the accounts at deemed cost. The freehold buildings are not depreciated. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

Investment property

Investment property is stated at its estimated market value based on a trustees' valuation, having taken professional advice.

Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The restricted funds comprise monies subject to donor imposed conditions as to use or to monies received in response to a specific appeal.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the charitable activities. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

1. Income from: Donations and legacies

	Unrestricted funds	
	2023 £	2022 £
Donations	11,611	1,100
Legacies	1,000	—
	12,611	1,100

2. Income from: Investment property rentals

	Unrestricted funds	
	2023 £	2022 £
Rental income from investment properties	107,670	107,748

3. Income from: Other trading activities

	Unrestricted funds	
	2023 £	2022 £
Rental income from the crypt	122,112	98,566

4. Expenditure on: Raising funds

	Unrestricted funds	
	2023 £	2022 £
Loan interest	64,351	32,482
Bank charges	—	15
	64,351	32,497

5. Expenditure on: Charitable activities

	Un- restricted funds £	Restricted funds £	2023 £	Un- restricted funds £	Restricted funds £	2022 £
Staff costs	12,012	—	12,012	9,161	—	9,161
Premises costs (including irrecoverable VAT)	66,186	—	66,186	34,777	—	34,777
Depreciation	14,028	—	14,028	12,072	—	12,072
Legal and professional fees	2,129	—	2,129	5,850	—	5,850
Governance costs (note 6)	4,280	—	4,280	4,237	—	4,237
Cross parish subsidy	20,000	—	20,000	—	—	—
Total	118,635	—	118,635	66,097	—	66,097

6. Governance costs

	2023 £	2022 £
Auditor's remuneration		
. Audit fees	4,280	3,800
. Other services	—	437
	4,280	4,237

7. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	12,012	9,161

No employee earned over £60,000 per annum or more (including taxable benefits) during the year (2022 – none). There is one employee (2022 – one).

The key management personnel in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees. The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2022 – £nil).

8. Taxation

St Etheldreda Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9. Tangible fixed assets

	Freehold property £	Freehold property improvements £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023 and Additions	1,478,000 —	118,107 91,553	2,613 —	1,598,720 91,553
At 31 December 2023	1,478,000	209,660	2,613	1,690,273
Depreciation				
At 1 January 2023	—	76,754	2,088	78,842
Charge for the year	—	13,503	525	14,028
At 31 December 2023	—	90,257	2,613	92,870
Net book values				
At 31 December 2023	1,478,000	119,403	—	1,597,403
At 31 December 2022	1,478,000	41,353	525	1,519,878

10. Investment property

	2023 £	2022 £
At 1 January 2023	2,130,000	2,130,000
Revaluation in the year	(679,960)	—
At 31 December 2023	1,450,040	2,130,000

The investment property comprises 13 Ely Place, London EC1. It is stated at its fair value which is deemed to be open market value as at 31 December 2023 determined by the trustees with professional assistance.

The property is subject to legal charges as explained in note 13 below.

10. Debtors

	2023 £	2022 £
Prepayments and accrued income	49,389	32,051

11. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	29,165	32,285
Other creditors	7	7
VAT liability	8,281	9,029
Bank loan (note 13)	23,346	37,314
	60,799	78,635

Deferred income comprises rental income received in advance.

	2023 £	2022 £
Balance as at 1 January 2023	24,525	6,658
Amount released in year	(24,525)	(6,658)
Amount deferred in year	24,885	24,525
Balance as at 31 December 2023	24,885	24,525

12. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loan	1,017,513	1,027,103

The charity has a loan from HSBC Bank plc, the capital value of which was £1,500,000 prior to any repayment. The loan was to assist in the purchase of the property situated at 13 Ely Place, London, secured by a first mortgage on the said property and the presbytery at 14 Ely Place. The loan is for a term of 30 years from the date of the first draw down in May 2014 and no repayments were due until May 2016. Interest on the loan is charged at 1.5% per annum over the Bank of England's base rate. The bank reserves the right to re-evaluate the loan and potentially require the loan to be fully repaid, every five years from the first drawdown. The Westminster Roman Catholic Diocesan Trust has provided a guarantee to HSBC plc in respect to this loan and has been granted a second legal charge over 13 Ely Place, London.

13. Related party transactions

St Etheldreda's Church serves the Parish of St Etheldreda's (Ely Place) within the Roman Catholic Diocese of Westminster. Starting in May 2023, the trustees of the charity agreed to contribute up to £40,000 a year towards the running costs of Ely Place Parish. The Parish's revenue stream was, in common with many churches, badly affected when it had to shut for prolonged periods in 2020 and 2021 due to the Covid-19 pandemic and these revenues have not yet fully recovered to pre-Covid levels. Another factor that has adversely affected the Parish was the decision by the Mayor of London to impose the London congestion and ULEX charges on the use of cars on Sundays, starting in June 2020. Ely Place Parish has historically attracted congregants from well outside its parish boundaries and many of them used to drive to attend Sunday Mass at St Etheldreda's. The cumulative impact of these factors means that attendance figures and donations at the Parish's two Sunday masses continue to be well down compared to the period prior to 2020. It is this that motivated the trustees to provide a cross-subsidy to the Parish until such time as its finances have fully recovered. The amount paid in the year 2023 was £20,000 (2022: £nil).

The Westminster Roman Catholic Diocesan Trust has provided a guarantee to secure a loan of £1,500,000 from HSBC bank plc and has been granted a second legal charge over 13 Ely Place, London.

14. Tangible fixed assets fund

	2023 £	2022 £
At 1 January 2023	1,519,878	1,531,950
Net movement in the year	77,525	(12,072)
At 31 December 2023	1,597,403	1,519,878

15. Net assets by fund

	General fund £	Tangible fixed assets fund £	2023 Total £
Tangible fixed assets	—	1,597,403	1,597,403
Investment property	1,450,040	—	1,450,040
Net current (liabilities) assets	9,342	—	9,342
Creditors: amounts falling due after more than one year	(1,017,513)	—	(1,017,513)
	441,869	1,597,403	2,039,272

	General fund £	Tangible fixed assets fund £	2022 Total £
Tangible fixed assets	—	1,519,878	1,519,878
Investment property	2,130,000	—	2,130,000
Net current (liabilities) assets	37,050	—	37,050
Creditors: amounts falling due after more than one year	(1,027,103)	—	(1,027,103)
	1,139,947	1,519,878	2,659,825

ST ETHELDREDA TRUST

England & Wales - Charity number 1154426

Accounts

St Etheldreda Trust

Annual Report and Accounts

31 December 2022

Charity Registration Number
1154426 (England and Wales)

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Reference and administrative information

Trustees	Father Tom Deidun IC (retired 9 November 2022) Father Christopher Fuse IC Father Anthony Furlong IC Father David Myers IC Father Tom Thomas IC (appointed 9 November 2022)
Principal office	St Etheldreda's Roman Catholic Church 14 Ely Place London EC1N 6RY
Charity registration number	1154426
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC plc 69 Pall Mall London SW1 5EY

Trustees' report Year to 31 December 2022

The trustees present their annual report together with the accounts of St Etheldreda Trust for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, regulations applicable to that Act, 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 (FRS 102).

Objectives and activities

The principal aim of the charity is to provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

The trustees have taken due consideration of the Charity Commission's guidance on Public Benefit in reviewing the charity's activities and plans.

Achievements and performance

Review of the year

The charity spent the year fulfilling its charitable objectives of providing a place for Roman Catholic worship. It also focussed on continuing to pay down the loans that it took out in order to finance the acquisition and refurbishment of 13 Ely Place, which was completed in 2015.

The charity also opened up and landscaped the inner courtyard next to the cloister for use by the parish and for functions (including wedding receptions).

Financial review

The income of the charity derives entirely from donations and legacies, rental income and income from crypt hire. Total income for the year amounted to £207,414 (2021 – £161,313). Total expenditure was £98,594 (2021 – £58,348). This results in net income and net movement in funds of £108,820 (2021 – £102,965).

Complete details of the income and expenditure are shown in the statement of the financial activities on page 10 and in the notes to the accounts.

Reserves policy

At 31 December 2022 the charity had total reserves of £2,659,825 (2021 – £2,551,005). At 31 December 2022 and 31 December 2021, none of the funds were restricted. £1,519,878 (2021 – £1,531,950) was a tangible fixed assets fund represented by the charity's tangible fixed assets in recognition of the fact that these are essential to the day-to-day work of the charity and as such their value should not be regarded as realisable with ease in order to meet future liabilities.

Achievements and performance (continued)

Reserves policy (continued)

The balance on the general fund, which is also equal to the free reserves, as at 31 December 2022 was £1,139,947 (2021 – £1,019,055). This balance is represented by the investment property, a loan secured against the property and the charity's net current assets. The charity had net current assets at 31 December 2022 of £37,050 (2021 – £94,629) and expects to be able to build up further reserves over the next few years. It intends, wherever possible, to continue to use these reserves to accelerate the capital payments on the loans that the Trust had to take out in order to fund the property purchase.

Future plans

The future plans of the charity are to continue to preserve and maintain the historic fabric of St Etheldreda's Church and the adjoining buildings that it owns in furtherance of its charitable objects.

Structure, governance and management

Constitution

The charity is governed by a trust deed dated 24 July 1885 and is registered under the Charities Act 2011, Charity Registration No. 1154426.

Trustees

The trustees of the charity are set out on page 1.

New trustees are appointed by the existing trustees, but require the approval of the Archbishop of the Roman Catholic Diocese of Westminster.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The trustees receive no remuneration or reimbursement of expenses.

Risk management

The charity's principal assets comprise the historic grade I listed church building dating back to the 13th century and the two adjacent five-storey mid-Georgian town houses at 13 and 14 Ely Place. The charity has taken out comprehensive policies of insurance with the Catholic Church Insurance Association to cover these buildings against all standard risks. These policies (including the insurable value of the buildings) are reviewed annually.

The charity was obliged to take out a significant loan from HSBC Bank plc guaranteed by the Westminster Roman Catholic Diocesan Trust in connection with its acquisition of 13 Ely Place (see notes 12 and 13 to the accounts). It services the interest accruing on this loan and pays down the capital borrowed using the monies that it derives from its two main income streams, namely letting out 13 Ely Place to commercial tenants and hiring out the crypt for functions organised by an outside caterer.

Structure, governance and management (continued)

Risk management (continued)

13 Ely Place is let out for a term of 10 years from June 2015 to May 2025. The lease did contain a 5-year break clause in favour of the tenants, but the deadline for exercising this expired in 2019 without the break clause having been triggered. Until mid-2022 the tenants of 13 Ely Place were a former chambers of barristers that decided to dissolve in July 2020. However, the former head of chambers and his co-signatories to the lease continued to honour the lease and meet their payment obligations under the lease in full (albeit that, with the agreement of the charity, they with effect from July 2020 made rental payments on a monthly, as opposed to 3-monthly, basis in advance, in order to assist the tenants' ongoing cash flow planning). In 2022, the original tenants presented the charity with replacement tenants for approval. These were another set of barristers, Mountford Chambers Limited, who following standard due diligence checks were approved by the charity and took an assignment of the remaining lease over 13 Ely Place on 27 May 2022. The tenants' obligations under the lease remain guaranteed by the three remaining named individuals who were signatories to the original lease and have now, in addition, been guaranteed by four further individuals who are barristers at Mountford Chambers Limited (including its current head of chambers).

Finally, in the event that damage to 13 Ely Place (e.g. from a fire) were to lead to a temporary interruption in the income stream derived from letting out the premises, the charity has taken out a separate insurance for 13 Ely Place to protect itself against loss of income for up to two years.

The charity's other main income stream is derived from letting out St Etheldreda's historic crypt to outside caterers pursuant to an arrangement that has operated successfully for more than 20 years. In the unlikely event of the current catering firm deciding to discontinue its regular hire of the crypt, the trustees envisage little difficulty in attracting an alternative provider, as the crypt is a unique and very popular venue for social functions in the local area. St Etheldreda's is located close to a large number of professional services firms, many of whom already use the crypt on a regular basis.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

Structure, governance and management (continued)

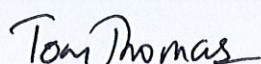
Statement of trustees' responsibilities (continued)

In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:



Trustee

Approved on: 9th October 2023

Independent auditor's report to the trustees of St Etheldreda Trust

Opinion

We have audited the accounts of St Etheldreda Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities in the trustees' report, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Auditor's responsibilities for the audit of the accounts (continued)

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- ◆ 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 charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's procedures.

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 accounts disclosures to underlying supporting documentation; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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 trustees and other management and the inspection of regulatory and legal correspondence, if any.

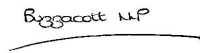
Auditor's responsibilities for the audit of the accounts (continued)

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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 24 October 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2022

	Notes	2022 £	2021 £
Income from:			
Donations and legacies	1	1,100	100
Investment property rentals	2	107,748	107,670
Other trading activities	3	98,566	53,543
Total income		207,414	161,313
Expenditure on:			
Raising funds	4	32,497	20,540
Charitable activities	5	66,097	37,808
Total expenditure		98,594	58,348
Net income (expenditure) and net movement in funds		108,820	102,965
Reconciliation of funds:			
Funds brought forward at 1 January 2022		2,551,005	2,448,040
Funds carried forward at 31 December 2022		2,659,825	2,551,005

All of the charity's activities derived from continuing operations during the above two financial periods.

All income and expenditure in the above two years related to unrestricted funds.

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	9		1,519,878		1,531,950
Investment property	10		2,130,000		2,130,000
			<u>3,649,878</u>		<u>3,661,950</u>
Current assets					
Debtors	11	32,051		5,665	
Cash at bank and in hand		<u>83,634</u>		<u>147,912</u>	
		115,685		153,577	
Creditors: amounts falling due within one year	12	<u>(78,635)</u>		<u>(58,948)</u>	
Net current assets			<u>37,050</u>		<u>94,629</u>
Total assets less current liabilities			3,686,928		3,756,579
Creditors: amounts falling due after more than one year	13		<u>(1,027,103)</u>		<u>(1,205,574)</u>
Total net assets			<u>2,659,825</u>		<u>2,551,005</u>
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
. Tangible fixed assets fund	16	1,519,878		1,531,950	
. General fund		<u>1,139,947</u>		<u>1,019,055</u>	
			<u>2,659,825</u>		<u>2,551,005</u>
			<u>2,659,825</u>		<u>2,551,005</u>

Approved by the trustees
and signed on their behalf by:

Tom Thomas

Trustee

Approved by the trustees on: *9th October 2023*

Statement of cash flows Year to 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	15,287	2,797
Cash flows from investing activities:			
Investment property rent received		107,748	107,671
Net cash provided by investing activities		107,748	107,671
Cash flows from financing activities:			
Repayments of borrowing		(187,313)	(46,156)
Net cash used in financing activities		(187,313)	(46,156)
Change in cash and cash equivalents in the year		(64,278)	64,312
Cash and cash equivalents at 1 January 2022	B	147,912	83,600
Cash and cash equivalents at 31 December 2022	B	83,634	147,912

Notes to the statement of cash flows for the year to 31 December 2022

A Reconciliation of net movement in funds to net cash provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	108,820	102,965
Adjustments for:		
Depreciation charge	12,072	12,072
Investment property rent receivable	(107,748)	(107,670)
Increase in debtors	(26,386)	(1,134)
Increase (decrease) in creditors	28,529	(3,436)
Net cash provided by operating activities	15,287	2,797

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents: Cash at bank and in hand	83,634	147,912

C Analysis of changes in net debt

	2021 £	Cash flows £	Other non- cash changes £	2022 £
Cash at bank and in hand	147,912	(64,278)	—	83,634
Loans falling due within one year	46,156	(37,313)	28,471	37,314
Loans falling due after more than one year	1,205,574	(150,000)	(28,471)	1,027,103
	1,399,642	(251,591)	—	1,148,051

Principal accounting policies 31 December 2022

The principal accounting policies adopted, judgements used and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of accounting

These accounts have been prepared for the year to 31 December 2022 with comparative information provided for the year to 31 December 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of calculating depreciation;
- ◆ Estimating the market value of investment property; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

Rental income from hiring out the crypt for functions has, as expected, continued to recover strongly from the previous two years (2020 and 2021), when the Church and its crypt had to be closed to the public for prolonged periods as a result of the ongoing Covid-19 pandemic. This upward trajectory is reflected in rental income of £98,566 for the financial year 2022, compared to just £53,543 in 2021. Moreover, the expectation is that the popularity of St Etheldreda's as a venue for functions (including wedding receptions) will only increase as a result of the inner courtyard now having been opened up to the public and landscaped, thus providing an almost unique outside amenity in the area.

Assessment of going concern (continued)

In addition, the Trust's rental income from the lease it has granted over 13 Ely Place (£107,748 in 2022) has continued uninterrupted throughout. Given the location and condition of this investment property at 13 Ely Place, London (see risk management section in the trustees' report) and the fact that the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that 13 Ely Place continues to be a very desirable property.

The trustees are, therefore, confident that the charity will remain a going concern and that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, rental income from investment property, interest receivable and rental income from the hiring out of the crypt at St Etheldreda's Church.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the charity.

Rental income from investment property is recognised when it becomes contractually due under the relevant lease or tenancy agreement and receipt is considered probable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the rental of the crypt is recognised as income on the date on which the crypt is used by the person or organisation that has entered into the hire agreement and when receipt is considered probable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises the following:

- a. The costs of raising funds comprise bank charges and interest payable on the charity's long term mortgage, legal and professional fees in relation to investment property agreements and leases, and investment property expenses.
- b. The costs of charitable activities comprise the costs of providing a place of Roman Catholic worship open to members of the general public, served by a Roman Catholic priest.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are allocated to the cost of charitable activities.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its useful estimated life:

- ◆ Freehold land and buildings – nil.
- ◆ Freehold property improvements – 10%.
- ◆ Fixtures and fittings – 10%.

As permitted by FRS 102, with effect from 1 January 2014 freehold land and buildings are included in the accounts at deemed cost. The freehold buildings are not depreciated. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

Investment property

Investment property is stated at its estimated market value based on a trustees' valuation, having taken professional advice.

Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The restricted funds comprise monies subject to donor imposed conditions as to use or to monies received in response to a specific appeal.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the charitable activities. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

1. Income from: Donations and legacies

	Unrestricted funds	
	2022 £	2021 £
Donations	1,100	100

2. Income from: Investment property rentals

	Unrestricted funds	
	2022 £	2021 £
Rental income from investment properties	107,748	107,670

3. Income from: Other trading activities

	Unrestricted funds	
	2022 £	2021 £
Rental income from the crypt	98,566	53,543

4. Expenditure on: Raising funds

	Unrestricted funds	
	2022 £	2021 £
Loan interest	32,482	20,439
Bank charges	15	101
	32,497	20,540

5. Expenditure on: Charitable activities

	Un- restricted funds £	Restricted funds £	2022 £	Un- restricted funds £	Restricted funds £	2021 £
Staff costs	9,161	—	9,161	8,549	—	8,549
Premises costs (including irrecoverable VAT)	34,777	—	34,777	12,654	—	12,654
Depreciation	12,072	—	12,072	12,072	—	12,072
Legal and professional fees	5,850	—	5,850	—	—	—
Governance costs (note 6)	4,237	—	4,237	4,533	—	4,533
Total	66,097	—	66,097	37,808	—	37,808

6. Governance costs

	2022 £	2021 £
Auditor's remuneration		
. Audit fees	3,800	3,400
. Other services	437	1,133
	4,237	4,533

7. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	9,161	8,549

No employee earned over £60,000 per annum or more (including taxable benefits) during the year (2021 – none). There is one employee (2021 – one).

The key management personnel in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees. The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2021 – £nil).

8. Taxation

St Etheldreda Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9. Tangible fixed assets

	Freehold property £	Freehold property improvements £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022 and at 31 December 2022	1,478,000	118,107	2,613	1,598,720
Depreciation				
At 1 January 2022	—	64,943	1,827	66,770
Charge for the year	—	11,811	261	12,072
At 31 December 2022	—	76,754	2,088	78,842
Net book values				
At 31 December 2022	1,478,000	41,353	525	1,519,878
At 31 December 2021	1,478,000	53,164	786	1,531,950

10. Investment property

	2022 £	2021 £
At 1 January 2022 and at 31 December 2022	2,130,000	2,130,000

The investment property comprises 13 Ely Place, London EC1. It is stated at its fair value which is deemed to be open market value as at 31 December 2016 determined by the trustees with professional assistance. The trustees sought professional advice in respect to the value of the property as at March 2021 and, following receipt of that advice, they are of the opinion that at that date there had been no material change to the market value of the property since 31 December 2016.

Given the location and condition of the charity's investment property at 13 Ely Place, London, combined with the fact the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that it continues to be a very desirable property and that any negative impact on its value by the current macroeconomic and geopolitical climate will be both minimal and temporary.

The property is subject to legal charges as explained in note 13 below.

11. Debtors

	2022 £	2021 £
Prepayments and accrued income	32,051	5,665

12. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	32,285	10,628
Other creditors	7	7
VAT liability	9,029	2,157
Bank loan (note 13)	37,314	46,156
	78,635	58,948

Deferred income comprises rental income received in advance.

	2022 £	2021 £
Balance as at 1 January 2022	6,658	6,658
Amount released in year	(6,658)	(6,658)
Amount deferred in year	24,525	6,658
Balance as at 31 December 2022	24,525	6,658

13. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loan	1,027,103	1,205,574

The charity has a loan from HSBC Bank plc, the capital value of which was £1,500,000 prior to any repayment. The loan was to assist in the purchase of the property situated at 13 Ely Place, London, secured by a first mortgage on the said property and the presbytery at 14 Ely Place. The loan is for a term of 30 years from the date of the first draw down in May 2014 and no repayments were due until May 2016. Interest on the loan is charged at 1.5% per annum over the Bank of England's base rate. The bank reserves the right to re-evaluate the loan and potentially require the loan to be fully repaid, every five years from the first drawdown. The Westminster Roman Catholic Diocesan Trust has provided a guarantee to HSBC plc in respect to this loan and has been granted a second legal charge over 13 Ely Place, London.

14. Related party transactions

St Etheldreda's Church serves the Parish of St Etheldreda's within the Roman Catholic Diocese of Westminster.

The Westminster Roman Catholic Diocesan Trust has provided a guarantee to secure a loan of £1,500,000 from HSBC bank plc.

15. Connected charity

The charity is considered to be connected to The Institute of Charity English Province (Charity Registration Number 222508) because both charities have trustees in common and hence they have common control. There were no transactions between the charities during the year (2021 – none).

16. Tangible fixed assets fund

	2022 £	2021 £
At 1 January 2022	1,531,950	1,544,022
Net movement in the year	(12,072)	(12,072)
At 31 December 2022	1,519,878	1,531,950

17. Net assets by fund

	General fund £	Tangible fixed assets fund £	2022 Total £
Tangible fixed assets	—	1,519,878	1,519,878
Investment property	2,130,000	—	2,130,000
Net current (liabilities) assets	37,050	—	37,050
Creditors: amounts falling due after more than one year	(1,027,103)	—	(1,027,103)
	<u>1,139,947</u>	<u>1,519,878</u>	<u>2,659,825</u>

	General fund £	Tangible fixed assets fund £	2021 Total £
<i>Tangible fixed assets</i>	—	1,531,950	1,531,950
<i>Investment property</i>	2,130,000	—	2,130,000
<i>Net current (liabilities) assets</i>	94,629	—	94,629
<i>Creditors: amounts falling due after more than one year</i>	(1,205,574)	—	(1,205,574)
	<u>1,019,055</u>	<u>1,531,950</u>	<u>2,551,005</u>

ST ETHELDREDA TRUST

England & Wales - Charity number 1154426

Accounts

St Etheldreda Trust

Annual Report and Accounts

31 December 2021

Charity Registration Number
1154426 (England and Wales)

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Reference and administrative information

Trustees	Father Tom Deidun IC Father Christopher Fuse IC Father Anthony Furlong IC Father David Myers IC
Principal office	St Etheldreda's Roman Catholic Church 14 Ely Place London EC1N 6RY
Charity registration number	1154426
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC plc 69 Pall Mall London SW1 5EY

Trustees' report Year to 31 December 2021

The trustees present their annual report together with the accounts of St Etheldreda Trust for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, regulations applicable to that Act, 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 (FRS 102).

Objectives and activities

The principal aim of the charity is to provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

The trustees have taken due consideration of the Charity Commission's guidance on Public Benefit in reviewing the charity's activities and plans.

Achievements and performance

Review of the year

Covid-19

The Covid-19 pandemic that led to a series of national shutdowns and the ban on larger social gathering starting in March 2020 has continued to impact the revenues that the charity has historically derived from letting out the crypt for social functions catered by third parties and other events, such as film shoots. Although the charity's rental income from the crypt has started to recover from £24,081 in 2020 to £53,543 in 2021, this was still well short of the historical revenues that in the previous ten years (until 2020) were typically in excess of £125,000. However, whilst this reduction in income will present challenges, the revenues have continued to recover in 2022 and the trustees are confident that this continued reduction in income will not cause financial difficulties for the charity and that the charity will remain a going concern.

The pandemic may also have impacted property markets and property values. However, given the location and condition of the charity's investment property at 13 Ely Place, London (see risk management section below), combined with the fact the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

Financial review

The income of the charity derives entirely from donations and legacies, rental income and income from crypt hire. Total income for the year amounted to £161,313 (2020 - £131,948). Total expenditure was £58,348 (2020 - £89,001). This results in net income and net movement in funds of £102,965 (2020 - £42,947).

Complete details of the income and expenditure are shown in the statement of the financial activities on page 10 and in the notes to the accounts.

Achievements and performance (continued)

Reserves policy

At 31 December 2021 the charity had total reserves of £2,551,005 (2020 - £2,448,040). At 31 December 2021 and 31 December 2020, none of the funds were restricted. £1,531,950 (2020 - £1,544,022) was a tangible fixed assets fund represented by the charity's tangible fixed assets in recognition of the fact that these are essential to the day-to-day work of the charity and as such their value should not be regarded as realisable with ease in order to meet future liabilities.

The balance on the general fund, which is also equal to the free reserves, as at 31 December 2021 was £1,019,055 (2020 - £904,018). This balance is represented by the investment property, loan secured against the property and the charity's net current assets. The charity had net current assets at 31 December 2021 of £94,629 (2020 - £23,559) and expects to be able to build up further reserves over the next few years. It intends, in the first instance, to continue to use these reserves to accelerate the capital payments on the loans that the Trust had to take out in order to fund the property purchase.

Future plans

The future plans of the charity are to continue to preserve and maintain the historic fabric of St Etheldreda's Church and the adjoining buildings that it owns in furtherance of its charitable objects.

Structure, governance and management

Constitution

The charity is governed by a trust deed dated 24 July 1885 and is registered under the Charities Act 2011, Charity Registration No. 1154426.

Trustees

The trustees of the charity are set out on page 1.

New trustees are appointed by the existing trustees, but require the approval of the Archbishop of the Roman Catholic Diocese of Westminster.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The trustees receive no remuneration or reimbursement of expenses.

Risk management

The charity's principal assets comprise the historic grade I listed church building dating back to the 13th century and the two adjacent five-storey mid-Georgian town houses at 13 and 14 Ely Place. The charity has taken out comprehensive policies of insurance with the Catholic Church Insurance Association to cover these buildings against all standard risks. These policies (including the insurable value of the buildings) are reviewed annually.

Structure, governance and management (continued)

Risk management (continued)

The charity was obliged to take out a significant loan from HSBC Bank plc guaranteed by the Westminster Roman Catholic Diocesan Trust in connection with its acquisition of 13 Ely Place (see notes 12 and 13 to the accounts). It services the interest accruing on this loan and pays down the capital borrowed using the monies that it derives from its two main income streams, namely letting out 13 Ely Place to commercial tenants and hiring out the crypt for functions organised by an outside caterer.

13 Ely Place is let out for a term of 10 years from June 2015 to May 2025. The lease did contain a 5-year break clause in favour of the tenants, but the deadline for exercising this expired in 2019 without the break clause having been triggered. During 2021 the tenants of 13 Ely Place were a former chambers of barristers that decided to dissolve in July 2020. However, the former head of chambers and his co-signatories to the lease continued to honour the lease and meet their payment obligations under the lease in full (albeit that, with the agreement of the charity, they with effect from July 2020 made rental payments on a monthly, as opposed to 3-monthly, basis in advance, in order to assist the tenants' ongoing cash flow planning). In 2022, the original tenants presented the charity with replacement tenants for approval. These were another set of barristers, Mountford Chambers Limited, who following standard due diligence checks were approved by the charity and took an assignment of the remaining lease over 13 Ely Place on 27 May 2022. The tenants' obligations under the lease remain guaranteed by the three remaining named individuals who were signatories to the original lease and have now, in addition, been guaranteed by four further individuals who are barristers at Mountford Chambers Limited (including its current head of chambers).

Finally, in the event that damage to 13 Ely Place (e.g. from a fire) were to lead to a temporary interruption in the income stream derived from letting out the premises, the charity has taken out a separate insurance for 13 Ely Place to protect itself against loss of income for up to two years.

The charity's other main income stream is derived from letting out St Etheldreda's historic crypt to outside caterers pursuant to an arrangement that has operated successfully for more than 20 years. In the unlikely event of the current catering firm deciding to discontinue its regular hire of the crypt, the trustees envisage little difficulty in attracting an alternative provider, as the crypt is a unique and very popular venue for social functions in the local area. St Etheldreda's is located close to a large number of professional services firms, many of whom already use the crypt on a regular basis.

Statement of trustees' responsibilities

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

Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:

Trustee

Christo, G. Ave.

Approved on:

18 October 2022
cf.

Independent auditor's report to the trustees of St Etheldreda Trust

Opinion

We have audited the accounts of St Etheldreda Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities in the trustees' report, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- ◆ 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 charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's procedures.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts disclosures to underlying supporting documentation; and
- ◆ enquiring of management as to actual and potential litigation and claims.

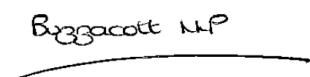
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



21 October 2022

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Income from:							
Donations and legacies	1	100	—	100	248	—	248
Investment property rentals	2	107,670	—	107,670	107,619	—	107,619
Other trading activities	3	53,543	—	53,543	24,081	—	24,081
Total income		161,313	—	161,313	131,948	—	131,948
Expenditure on:							
Raising funds	4	20,540	—	20,540	23,454	—	23,454
Charitable activities	5	37,808	—	37,808	38,319	27,228	65,547
Total expenditure		58,348	—	58,348	61,773	27,228	89,001
Net income (expenditure) and net movement in funds		102,965	—	102,965	70,175	(27,228)	42,947
Reconciliation of funds:							
Funds brought forward at 1 January 2021		2,448,040	—	2,448,040	2,377,865	27,228	2,405,093
Funds carried forward at 31 December 2021		2,551,005	—	2,551,005	2,448,040	—	2,448,040

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		1,531,950		1,544,022
Investment property	10		2,130,000		2,130,000
			<u>3,661,950</u>		<u>3,674,022</u>
Current assets					
Debtors	11	5,665		4,531	
Cash at bank and in hand		<u>147,912</u>		<u>83,600</u>	
		<u>153,577</u>		<u>88,131</u>	
Creditors: amounts falling due within one year	12	<u>(58,948)</u>		<u>(64,572)</u>	
Net current assets			<u>94,629</u>		<u>23,559</u>
Total assets less current liabilities			<u>3,756,579</u>		<u>3,697,581</u>
Creditors: amounts falling due after more than one year	13		<u>(1,205,574)</u>		<u>(1,249,541)</u>
Total net assets			<u>2,551,005</u>		<u>2,448,040</u>
The funds of the charity:					
Funds and reserves					
Unrestricted funds					
· Tangible fixed assets fund	16	1,531,950		1,544,022	
· General fund		<u>1,019,055</u>		<u>904,018</u>	
			<u>2,551,005</u>		<u>2,448,040</u>
			<u>2,551,005</u>		<u>2,448,040</u>

Approved by the trustees
and signed on their behalf by:

Trustee

Chris Furse

Approved by the trustees on:

19 October 2022

Statement of cash flows Year to 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	2,797	(22,914)
Cash flows from investing activities:			
Investment property rent received		107,671	89,724
Purchase of tangible fixed assets		—	(17,600)
Net cash provided by investing activities		107,671	72,124
Cash flows from financing activities:			
Repayments of borrowing		(46,156)	(48,345)
Net cash used in financing activities		(46,156)	(48,345)
Change in cash and cash equivalents in the year		64,312	865
Cash and cash equivalents at 1 January 2021	B	83,600	82,735
Cash and cash equivalents at 31 December 2021	B	147,912	83,600

Notes to the statement of cash flows for the year to 31 December 2021

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	102,965	42,947
Adjustments for:		
Depreciation charge	12,072	12,072
Investment property rent receivable	(107,670)	(107,619)
(Increase) decrease in debtors	(1,134)	28,303
(Decrease) increase in creditors	(3,436)	1,383
Net cash provided by (used in) operating activities	2,797	(22,914)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Total cash and cash equivalents: Cash at bank and in hand	147,912	83,600

C Analysis of changes in net debt

	2020 £	Cash flows £	Other non-cash changes £	2021 £
Cash at bank and in hand	83,600	64,312	—	147,912
Loans falling due within one year	48,345	(46,156)	43,967	46,156
Loans falling due after more than one year	1,249,541	—	(43,967)	1,205,574
	1,381,486	18,156	—	1,399,642

Principal accounting policies 31 December 2021

The principal accounting policies adopted, judgements used and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of accounting

These accounts have been prepared for the year to 31 December 2021 with comparative information provided for the year to 31 December 2020.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of calculating depreciation;
- ◆ Estimating the market value of investment property; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The charity's operations were impacted significantly by the Covid-19 pandemic with the Church and crypt having to be closed for long periods during 2020 and 2021. This resulted in the rental income from the crypt having reduced significantly starting in 2020, but it started to recover in 2021 and this recovery continues on an upward trajectory in 2022. The trustees do not believe that this temporary reduction in income will cause financial difficulties for the charity, in particular as its rental income from the lease it has granted over 13 Ely Place has continued uninterrupted throughout. The trustees are, therefore, confident that the charity will remain a going concern.

Assessment of going concern (continued)

The pandemic may also have impacted property markets and property values. Given the location and condition of the charity's investment property at 13 Ely Place, London (see risk management section in the trustees' report), combined with the fact the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

The trustees of the charity have concluded that there are no uncertainties related to events or conditions (including Covid-19) that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, rental income from investment property, interest receivable and rental income from the hiring out of the crypt at St Etheldreda's Church.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the charity.

Rental income from investment property is recognised when it becomes contractually due under the relevant lease or tenancy agreement and receipt is considered probable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the rental of the crypt is recognised as income on the date on which the crypt is used by the person or organisation that has entered into the hire agreement and when receipt is considered probable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises the following:

- a. The costs of raising funds comprise bank charges and interest payable on the charity's long term mortgage, legal and professional fees in relation to investment property agreements and leases, and investment property expenses.
- b. The costs of charitable activities comprise the costs of providing a place of Roman Catholic worship open to members of the general public, served by a Roman Catholic priest.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are allocated to the cost of charitable activities.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its useful estimated life:

- ◆ Freehold land and buildings – nil.
- ◆ Freehold property improvements – 10%.
- ◆ Fixtures and fittings – 10%.

As permitted by FRS 102, with effect from 1 January 2014 freehold land and buildings are included in the accounts at deemed cost. The freehold buildings are not depreciated. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

Investment property

Investment property is stated at its estimated market value based on a trustees' valuation, having taken professional advice.

Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The restricted funds comprise monies subject to donor imposed conditions as to use or to monies received in response to a specific appeal.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the charitable activities. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

1. Income from: Donations and legacies

	Unrestricted funds	
	2021 £	2020 £
Donations	100	248
	100	248

2. Income from: Investment property rentals

	Unrestricted funds	
	2021 £	2020 £
Rental income from investment properties	107,670	107,619

3. Income from: Other trading activities

	Unrestricted funds	
	2021 £	2020 £
Rental income from the crypt	53,543	24,081

4. Expenditure on: Raising funds

	Unrestricted funds	
	2021 £	2020 £
Loan interest	20,439	23,329
Bank charges	101	125
	20,540	23,454

5. Expenditure on: Charitable activities

	Unrestricted funds £	Restricted funds £	2021 £	Unrestricted funds £	Restricted funds £	2020 £
Staff costs	8,549	—	8,549	8,316	—	8,316
Premises costs (including irrecoverable VAT)	12,654	—	12,654	14,141	27,228	41,369
Depreciation	12,072	—	12,072	12,072	—	12,072
Governance costs (note 6)	4,533	—	4,533	3,790	—	3,790
Total	37,808	—	37,808	38,319	27,228	65,547

6. Governance costs

	2021 £	2020 £
Auditor's remuneration		
. Audit fees	3,400	3,290
. Other services	1,133	500
	4,533	3,790

7. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	8,549	8,316

No employee earned over £60,000 per annum or more (including taxable benefits) during the year (2020 - none). There is one employee (2020 – one).

The key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees. The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2020 - £nil).

8. Taxation

St Etheldreda Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9. Tangible fixed assets

	Freehold property £	Freehold property improve- ments £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021 and	1,478,000	118,107	2,613	1,598,720
At 31 December 2021	1,478,000	118,107	2,613	1,598,720
Depreciation				
At 1 January 2021	—	53,132	1,566	54,698
Charge for the year	—	11,811	261	12,072
At 31 December 2021	—	64,943	1,827	66,770
Net book values				
At 31 December 2021	1,478,000	53,164	786	1,531,950
At 31 December 2020	1,478,000	64,975	1,047	1,544,022

10. Investment property

	2021 £	2020 £
At 1 January 2021 and at 31 December 2021	2,130,000	2,130,000

The investment property comprises 13 Ely Place, London EC1. It is stated at its fair value which is deemed to be open market value as at 31 December 2016 determined by the trustees with professional assistance. The trustees sought professional advice in respect to the value of the property as at March 2020 and, following receipt of that advice, they are of the opinion that at that date there had been no material change to the market value of the property since 31 December 2016.

Covid-19 pandemic may have impacted property markets and property values. Given the location and condition of the charity's investment property at 13 Ely Place, London, combined with the fact the new Elizabeth Line (Crossrail) at the nearby Farringdon station has started to operate from May 2022, the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

The property is subject to legal charges as explained in note 13 below.

11. Debtors

	2021 £	2020 £
Prepayments and accrued income	5,665	4,531

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	10,628	13,367
Other creditors	7	7
VAT liability	2,157	4,390
Bank loan (note 13)	46,156	48,345
	58,948	66,379

Deferred income comprises rental income received in advance.

	2021 £	2020 £
Balance as at 1 January 2021	6,658	24,525
Amount released in year	(6,658)	(24,525)
Amount deferred in year	6,658	6,658
Balance as at 31 December 2021	6,658	6,658

13. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loan	1,205,574	1,249,541

The charity has a loan from HSBC Bank plc, the capital value of which was £1,500,000 prior to any repayment. The loan was to assist in the purchase of the property situated at 13 Ely Place, London, secured by a first mortgage on the said property and the presbytery at 14 Ely Place. The loan is for a term of 30 years from the date of the first draw down in May 2014 and no repayments were due until May 2016. Interest on the loan is charged at 1.5% per annum over the Bank of England's base rate. The bank reserves the right to re-evaluate the loan and potentially require the loan to be fully repaid, every five years from the first drawdown. The Westminster Roman Catholic Diocesan Trust has provided a guarantee to HSBC plc in respect to this loan and has been granted a second legal charge over 13 Ely Place, London.

14. Related party transactions

St Etheldreda's Church serves the Parish of St Etheldreda's within the Roman Catholic Diocese of Westminster.

The Westminster Roman Catholic Diocesan Trust has provided a guarantee to secure a loan of £1,500,000 from HSBC bank plc.

15. Connected charity

The charity is considered to be connected to The Institute of Charity English Province (Charity Registration Number 222508) because both charities have trustees in common and hence they have common control. There were no transactions between the charities during the year (2020 - none).

16. Tangible fixed assets fund

	2021 £	2020 £
At 1 January 2021	1,544,022	1,538,494
Net movement in the year	(12,072)	5,528
At 31 December 2021	1,531,950	1,544,022

17. Net assets by fund

	General fund £	Tangible fixed assets fund £	Restricted funds £	2021 Total £
Tangible fixed assets	—	1,531,950	—	1,531,950
Investment property	2,130,000	—	—	2,130,000
Net current (liabilities) assets	94,629	—	—	94,629
Creditors: amounts falling due after more than one year	(1,205,574)	—	—	(1,205,574)
	1,019,055	1,531,950	—	2,551,005

	General fund £	Tangible fixed assets fund £	Restricted funds £	2020 Total £
Tangible fixed assets	—	1,544,022	—	1,544,022
Investment property	2,130,000	—	—	2,130,000
Net current assets	23,559	—	—	23,559
Creditors: amounts falling due after more than one year	(1,249,541)	—	—	(1,249,541)
	904,018	1,544,022	—	2,448,040

ST ETHELDREDA TRUST

England & Wales - Charity number 1154426

Accounts

St Etheldreda Trust

Annual Report and Accounts

31 December 2020

Charity Registration Number
1154426 (England and Wales)

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Reference and administrative information

Trustees	Father Tom Deidun IC Father Christopher Fuse IC Father Anthony Furlong IC Father David Myers IC
Principal office	St Etheldreda's Roman Catholic Church 14 Ely Place London EC1N 6RY
Charity registration number	1154426
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC plc 69 Pall Mall London SW1 5EY

Trustees' report Year to 31 December 2020

The trustees present their annual report together with the accounts of St Etheldreda Trust for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached accounts and comply with the charity's trust deed, the Charities Act 2011, regulations applicable to that Act, 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 (FRS 102).

Objectives and activities

The principal aim of the charity is to provide a place of Roman Catholic worship open to members of the general public, served by a resident Roman Catholic priest.

The trustees have taken due consideration of the Charity Commission's guidance on Public Benefit in reviewing the charity's activities and plans.

Achievements and performance

Review of the year

Covid-19

The Covid-19 pandemic that has spread since the last financial year-end has had a significant social and economic impact on all aspects of life and society. Starting in March 2020 most of the functions that had been booked to take place in the crypt have had to be cancelled and since the introduction of the so-called "rule of six" no functions have taken place in the crypt at all. As a result, the charity's rental income from the crypt has fallen quite significantly. However, whilst this reduction in income will present challenges, the trustees do not believe that it will cause financial difficulties for the charity, and that it will remain a going concern.

The pandemic may also have impacted property markets and property values. Given the location and condition of the charity's investment property at 13 Ely Place, London (see risk management section below), the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

Financial review

The income of the charity derives entirely from donations and legacies, rental income and income from crypt hire. Total income for the year amounted to £131,948 (2019 - £245,094). Total expenditure was £89,001 (2019 - £66,125). This results in net income and net movement in funds of £42,947 (2019 - £178,969).

Complete details of the income and expenditure are shown in the statement of the financial activities on page 10 and in the notes to the accounts.

Reserves policy

At 31 December 2020 the charity had total reserves of £2,448,040 (2019 - £2,405,093). At 31 December 2020, none of the funds were restricted (2019 - £27,228 for maintaining the fabric of the charity's property). £1,544,022 (2019 - £1,538,494) was a tangible fixed assets fund represented by the charity's tangible fixed assets in recognition of the fact that these are essential to the day-to-day work of the charity and as such their value should not be regarded as realisable with ease in order to meet future liabilities.

The balance on the general fund, which is also equal to the free reserves, as at 31 December 2020 was £904,018 (2019 - £839,371). This balance is represented by the investment property, loans secured against the property and the charity's net current assets. The charity had net current assets at 31 December 2020 of £23,559 (2019 - assets of £41,901) and expects to be able to build up reserves over the next few years. It intends, in the first instance, to continue to use these reserves to accelerate the capital payments on the loans that the Trust had to take out in order to fund the property purchase.

Future plans

The future plans of the charity are to continue to preserve and maintain the historic fabric of St Etheldreda's Church and the adjoining buildings that it owns in furtherance of its charitable objects.

Structure, governance and management

Constitution

The charity is governed by a trust deed dated 24 July 1885 and is registered under the Charities Act 2011, Charity Registration No. 1154426.

Trustees

The trustees of the charity are set out on page 1.

New trustees are appointed by the existing trustees, but require the approval of the Archbishop of the Roman Catholic Diocese of Westminster.

Key management personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The trustees receive no remuneration or reimbursement of expenses.

Risk management

The charity's principal assets comprise the historic grade I listed church building dating back to the 13th century and the two adjacent five-storey Georgian town houses at 13 and 14 Ely Place. The charity has taken out comprehensive policies of insurance with the Catholic Church Insurance Association to cover these buildings against all standard risks. These policies (including the insurable value of the buildings) are reviewed annually.

Structure, governance and management (continued)

Risk management (continued)

The charity was obliged to take out significant loans both from HSBC Bank plc and the Westminster Roman Catholic Diocesan Trust in connection with its acquisition and refurbishment of 13 Ely Place (see notes 12 and 13 to the accounts). It services the interest accruing on these loans and pays down the capital borrowed using the monies that it derives from its two main income streams, namely letting out 13 Ely Place to commercial tenants and hiring out the crypt for functions organised by an outside caterer.

13 Ely Place is let out for a term of 10 years from June 2015 to May 2025. The lease did contain a 5-year break clause in favour of the tenants, but the deadline for exercising this expired in 2019 without the break clause having been triggered. The tenants of 13 Ely Place are a former chambers of barristers that decided to dissolve in July 2020. However, the former head of chambers has confirmed that he and his co-signatories to the lease intend to honour the lease until a suitable replacement tenants can be presented to the charity for approval. Indeed, the tenants have continued to meet their payment obligations under the lease in full albeit that, with the agreement of the charity, they are now making rental payments on a monthly (as opposed to 3-monthly) basis in advance, in order to assist the tenants' ongoing cash flow planning.

The lease also contains an upward-only rent review clause that came into effect after 5 years at the end of May 2020 and, in anticipation, the charity sought the advice of its property advisers in relation to rental values during 2020. However, the Covid-19 pandemic meant that this process was overtaken by events. In the view of its advisers, the pandemic rendered the prospect of achieving an increase in the rental value of 13 Ely Place most unlikely (and, in the view of the charity, quite inappropriate).

Finally, in the event that damage to 13 Ely Place (e.g. from a fire) were to lead to a temporary interruption in the income stream derived from letting out the premises, the charity has taken out a separate insurance for 13 Ely Place to protect itself against loss of income for up to two years.

The charity's other main income stream is derived from letting out St Etheldreda's historic crypt to outside caterers pursuant to an arrangement that has operated successfully for more than 20 years. In the unlikely event of the current catering firm deciding to discontinue its regular hire of the crypt, the trustees envisage little difficulty in attracting an alternative provider, as the crypt is a unique and very popular venue for social functions in the local area. St Etheldreda's is located close to a large number of professional services firms, many of whom already use the crypt on a regular basis. As noted above, at the moment Covid-19 is posing challenges for the charity with the deferral and cancellation of all remaining crypt rental bookings. However, current government easing of restrictions indicates that indoor functions such as those previously held in the crypt will be able to resume.

Statement of trustees' responsibilities

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

Structure, governance and management (continued)

Statement of trustees' responsibilities (continued)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:



T Deidun

Trustee

Approved on: 13/09/21

13.9.2021

Independent auditor's report to the trustees of St Etheldreda Trust

Opinion

We have audited the accounts of St Etheldreda Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 and Accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities in the trustees' report, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the accounts are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).
- ◆ 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 charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charity's procedures.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts disclosures to underlying supporting documentation; and
- ◆ enquiring of management as to actual and potential litigation and claims.

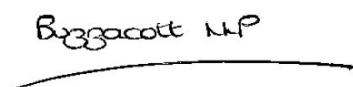
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



13.10.2021

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 £	Unrestricted funds £	Restricted funds £	2019 £
Income from:							
Donations and legacies	1	248	—	248	9,275	—	9,275
Investment property rentals	2	107,619	—	107,619	107,643	—	107,643
Other trading activities	3	24,081	—	24,081	128,176	—	128,176
Total income		131,948	—	131,948	245,094	—	245,094
Expenditure on:							
Raising funds	4	23,454	—	23,454	33,024	—	33,024
Charitable activities	5	38,319	27,228	65,547	33,101	—	33,101
Total expenditure		61,773	27,228	89,001	66,125	—	66,125
Net income (expenditure) and net movement in funds		70,175	(27,228)	42,947	178,969	—	178,969
Reconciliation of funds:							
Funds brought forward at 1 January 2020		2,377,865	27,228	2,405,093	2,198,896	27,228	2,226,124
Funds carried forward at 31 December 2020		2,448,040	—	2,448,040	2,377,865	27,228	2,405,093

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		1,544,022		1,538,494
Investment property	10		2,130,000		2,130,000
			<u>3,674,022</u>		<u>3,668,494</u>
Current assets					
Debtors	11	4,531		32,833	
Cash at bank and in hand		<u>83,600</u>		<u>82,735</u>	
		<u>88,131</u>		<u>115,568</u>	
Creditors: amounts falling due within one year	12	<u>(64,572)</u>		<u>(73,667)</u>	
Net current assets			<u>23,559</u>		<u>41,901</u>
Total assets less current liabilities			<u>3,697,581</u>		<u>3,710,395</u>
Creditors: amounts falling due after more than one year	13		<u>(1,249,541)</u>		<u>(1,305,302)</u>
Total net assets			<u>2,448,040</u>		<u>2,405,093</u>
The funds of the charity:					
Funds and reserves					
Restricted funds	16		—		27,228
Unrestricted funds					
. Tangible fixed assets fund	17	1,544,022		1,538,494	
. General fund		<u>904,018</u>		<u>839,371</u>	
			<u>2,448,040</u>		<u>2,377,865</u>
			<u>2,448,040</u>		<u>2,405,093</u>

Approved by the trustees
and signed on their behalf by:



T Deidun

Trustee

Approved by the trustees on: 13/09/21

13.9.2021

Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(22,914)	98,819
Cash flows from investing activities:			
Investment property rent received		89,724	107,670
Purchase of tangible fixed assets		(17,600)	—
Net cash provided by investing activities		72,124	107,670
Cash flows from financing activities:			
Repayments of borrowing		(48,345)	(227,387)
Net cash used in financing activities		(48,345)	(227,387)
Change in cash and cash equivalents in the year		865	(20,898)
Cash and cash equivalents at 1 January 2020	B	82,735	103,633
Cash and cash equivalents at 31 December 2020	B	83,600	82,735

Notes to the statement of cash flows for the year to 31 December 2020

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	42,947	178,969
Adjustments for:		
Depreciation charge	12,072	10,312
Investment property rent receivable	(107,619)	(107,643)
Decrease in debtors	28,303	20,332
Increase (decrease) in creditors	1,383	(3,151)
Net cash (used in) provided by operating activities	(22,914)	98,819

B Analysis of cash and cash equivalents

	2020 £	2019 £
Total cash and cash equivalents: Cash at bank and in hand	83,600	82,735

C Analysis of changes in net debt

	2019 £	Cash flows £	Other non-cash changes £	2020 £
Cash at bank and in hand	82,735	865	—	83,600
Loans falling due within one year	40,928	(48,344)	55,761	48,345
Loans falling due after more than one year	1,305,302	—	(55,761)	1,249,541
	1,428,965	(47,479)	—	1,381,486

Principal accounting policies 31 December 2020

The principal accounting policies adopted, judgements used and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of accounting

These accounts have been prepared for the year to 31 December 2020 with comparative information provided for the year to 31 December 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purpose of calculating depreciation;
- ◆ Estimating the market value of investment property; and
- ◆ Estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The COVID-19 pandemic is a global crisis that has and will continue to have a huge personal, social and economic impact on all of society.

The charity's operations have been impacted with the Church and crypt having to be closed and rental income from the crypt having reduced significantly as a consequence. Whilst this reduction in income will present challenges, the trustees do not believe it will cause financial difficulties for the charity and that it will remain a going concern.

Assessment of going concern (continued)

The pandemic may also have impacted property markets and property values. Given the location and condition of the charity's investment property at 13 Ely Place, London (see risk management section in the trustees' report), the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

The trustees of the charity have concluded that there are no uncertainties related to events or conditions (including Covid-19) that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations and legacies, rental income from investment property, interest receivable and rental income from the hiring out of the crypt at St Etheldreda's Church.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and the fulfilment of any conditions attached to the legacy is wholly within the control of the charity.

Rental income from investment property is recognised when it becomes contractually due under the relevant lease or tenancy agreement and receipt is considered probable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from the rental of the crypt is recognised as income on the date on which the crypt is used by the person or organisation that has entered into the hire agreement and when receipt is considered probable.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure comprises the following:

- a. The costs of raising funds comprise bank charges and interest payable on the charity's long term loan and mortgage, legal and professional fees in relation to investment property agreements and leases, and investment property expenses.
- b. The costs of charitable activities comprise the costs of providing a place of Roman Catholic worship open to members of the general public, served by a Roman Catholic priest.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are allocated to the cost of charitable activities.

Tangible fixed assets

All assets costing more than £2,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its useful estimated life:

- ◆ Freehold land and buildings – nil.
- ◆ Freehold property improvements – 10%.
- ◆ Fixtures and fittings – 10%.

As permitted by FRS 102, with effect from 1 January 2014 freehold land and buildings are included in the accounts at deemed cost. The freehold buildings are not depreciated. Their value and condition are reviewed annually by the trustees who are satisfied that their residual value is not materially less than their book value.

Investment property

Investment property is stated at its estimated market value based on a trustees' valuation, having taken professional advice.

Gains and losses on the revaluation of investment properties are included in the statement of financial activities.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The restricted funds comprise monies subject to donor imposed conditions as to use or to monies received in response to a specific appeal.

The tangible fixed assets fund represents the net book value of those tangible fixed assets used for the support of the charitable activities. A decision was made to separate this fund from the general fund in recognition of the fact that the assets are used in the day to day work of the charity, and the fund value would not be realisable easily if needed to meet future contingencies.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Notes to the accounts 31 December 2020

1. Income from: Donations and legacies

	Unrestricted funds	
	2020 £	2019 £
Donations	248	1,378
Legacies	—	7,897
	248	9,275

2. Income from: Investment property rentals

	Unrestricted funds	
	2020 £	2019 £
Rental income from investment properties	107,619	107,643

3. Income from: Other trading activities

	Unrestricted funds	
	2020 £	2019 £
Rental income from the crypt	24,081	128,176

4. Expenditure on: Raising funds

	Unrestricted funds	
	2020 £	2019 £
Loan interest	23,329	32,875
Bank charges	125	149
	23,454	33,024

5. Expenditure on: Charitable activities

	Unrestricted funds £	Restricted funds £	2020 £	Unrestricted funds £	Restricted funds £	2019 £
Staff costs	8,316	—	8,316	8,079	—	8,079
Premises costs (including irrecoverable VAT)	14,141	27,228	41,369	10,937	—	10,937
Depreciation	12,072	—	12,072	10,312	—	10,312
Legal and professional fees	—	—	—	583	—	583
Governance costs (note 6)	3,790	—	3,790	3,190	—	3,190
Total	38,319	27,228	65,547	33,101	—	33,101

6. Governance costs

	2020 £	2019 £
Auditor's remuneration		
. Audit fees	3,290	3,190
. Other services	500	—
	3,790	3,190

7. Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	8,316	8,079

No employee earned over £60,000 per annum or more (including taxable benefits) during the year (2019 - none). There is one employee (2019 – one).

The key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees. The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2019 - £nil).

8. Taxation

St Etheldreda Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

9. Tangible fixed assets

	Freehold property £	Freehold property improve- ments £	Fixtures and fittings £	Total £
Cost				
At 1 January 2020 and Additions	1,478,000 —	100,507 17,600	2,613 —	1,581,120 17,600
At 31 December 2020	<u>1,478,000</u>	<u>118,107</u>	<u>2,613</u>	<u>1,598,720</u>
Depreciation				
At 1 January 2020	—	41,321	1,305	42,626
Charge for the year	—	11,811	261	12,072
At 31 December 2020	<u>—</u>	<u>53,132</u>	<u>1,566</u>	<u>54,698</u>
Net book values				
At 31 December 2020	<u>1,478,000</u>	<u>64,975</u>	<u>1,047</u>	<u>1,544,022</u>
At 31 December 2019	<u>1,478,000</u>	<u>59,186</u>	<u>1,308</u>	<u>1,538,494</u>

10. Investment property

	2020 £	2019 £
At 1 January 2020 and at 31 December 2020	2,130,000	2,130,000

The investment property comprises 13 Ely Place, London EC1. It is stated at its fair value which is deemed to be open market value as at 31 December 2016 determined by the trustees with professional assistance. The trustees sought professional advice in respect to the value of the property as at March 2020 and, following receipt of that advice, they are of the opinion that at that date there had been no material change to the market value of the property since 31 December 2016.

Covid-19 pandemic may have impacted property markets and property values. Given the location and condition of the charity's investment property at 13 Ely Place, London, the trustees are confident that it continues to be a very desirable property and that any impact of Covid-19 on its value will be both minimal and temporary.

The property is subject to legal charges as explained in notes 12 and 13 below.

11. Debtors

	2020 £	2019 £
Prepayments and accrued income	4,531	53,333

12. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	13,645	28,349
VAT liability	2,582	4,390
Bank loans (note 13)	48,345	40,928
	64,572	73,667

Deferred income comprises rental income received in advance.

	2020 £	2019 £
Balance as at 1 January 2020	24,525	24,552
Amount released in year	(24,525)	(24,552)
Amount deferred in year	6,658	24,525
Balance as at 31 December 2020	6,658	24,525

13. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	1,249,541	1,305,302

The charity has a loan from HSBC Bank plc, the capital value of which was £1,500,000 prior to any repayment. The loan was to assist in the purchase of the property situated at 13 Ely Place, London, secured by a first mortgage on the said property and the presbytery at 14 Ely Place. The loan is for a term of 30 years from the date of the first draw down in May 2014 and no repayments were due until May 2016. Interest on the loan is charged at 1.5% per annum over the Bank of England's base rate. The bank reserves the right to re-evaluate the loan and potentially require the loan to be fully repaid, every five years from the first drawdown. The Westminster Roman Catholic Diocesan Trust has provided a guarantee to HSBC plc in respect to this loan and has been granted a second legal charge over 13 Ely Place, London.

During 2017, the charity agreed a second loan from HSBC Bank plc of £325,000. The terms of the loan are the same as the first loan except that interest is charged at 2.5% per annum over the Bank of England's base rate and the loan is secured by first mortgages over 13 Ely Place and the presbytery at 14 Ely Place. The loan of £325,000 was repaid during 2019.

14. Related party transactions

St Etheldreda's Church serves the Parish of St Etheldreda's within the Roman Catholic Diocese of Westminster.

The Westminster Roman Catholic Diocesan Trust has provided a guarantee to secure a loan of £1,500,000 from HSBC bank plc.

15. Connected charity

The charity is considered to be connected to The Institute of Charity English Province (Charity Registration Number 222508) because both charities have trustees in common and hence they have common control. There were no transactions between the charities during the year (2019 - none).

16. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and legacies held on trusts to be applied for specific purposes.

	2020 £	2019 £
At 1 January 2020	27,228	27,228
Net movement in the year	(27,228)	—
At 31 December 2020	—	27,228

The fabric fund comprises monies to be used on the upkeep of the charity's property.

17. Tangible fixed assets fund

	2020 £	2019 £
At 1 January 2020	1,538,494	1,548,806
Net movement in the year	5,528	(10,312)
At 31 December 2020	1,544,022	1,538,494

18. Net assets by fund

	General fund £	Tangible fixed assets fund £	Restricted funds £	2020 Total £
Tangible fixed assets	—	1,544,022	—	1,544,022
Investment property	2,130,000	—	—	2,130,000
Net current assets	23,559	—	—	23,559
Creditors: amounts falling due after more than one year	(1,249,541)	—	—	(1,249,541)
	904,018	1,544,022	—	2,448,040

	General fund £	Tangible fixed assets fund £	Restricted funds £	2019 Total £
Tangible fixed assets	—	1,538,494	—	1,538,494
Investment property	2,130,000	—	—	2,130,000
Net current assets	35,173	—	27,228	62,401
Creditors: amounts falling due after more than one year	(1,305,302)	—	—	(1,305,302)
	859,871	1,538,494	27,228	2,425,593