

# ST MARY'S ABBEY, QUARR

England & Wales · Charity number 1165957

## Details

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**Other names** QUARR ABBEY

**Status** Registered

**Legal form** Charitable company

**Company number** [09806062](#)

**Registered** 2016-03-09

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

## Contact

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**Address** Quarr Abbey  
Quarr Road  
Ryde  
PO33 4ES

**Phone** 01983882420

**Email** [guestmaster@quarr.org](mailto:guestmaster@quarr.org)

**Website** <http://www.quarrabbey.org/site.php>

## Activities

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**Objects:** 1) THE MAINTENANCE OF WORSHIP IN THE ABBEY CHURCH AND OF THE RESIDENT BENEDICTINE COMMUNITY.2) THE MAINTENANCE OF THE GUEST HOUSE, WHICH IS IN CONSTANT USE FOR THE PURPOSE OF RELIGIOUS RETREATS.3) FOSTERING THE LIFE AND WORK OF THE BENEDICTINE COMMUNITY ACCORDING TO THE NORMS OF THE SOLESMES CONGREGATION.4) TO PROMOTE THE CATHOLIC FAITH FOR THE BENEFIT OF THE PUBLIC THROUGH CARRYING OUT SPIRITUAL DUTIES IN THE COMMUNITY INCLUDING THE GIVING OF RETREATS.

**Activities:** The main aims of the charity are the promotion of the Catholic religion and hospitality to all visitors to the Abbey, in the spirit of the Rule of St Benedict. To preserve the spiritual identity of the Abbey and its Benedictine community through maintenance projects to preserve the Abbey and its building; and running the Abbey's tea shop, farm shop and art gallery for the benefit of its visitors.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

## Geography

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- Isle Of Wight

## Finances

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| Period end | Income     | Expenditure | Assets     | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-12-31 | £1,558,730 | £1,653,525  | £4,250,939 | 40        |
| 2023-12-31 | £1,448,747 | £1,469,603  | £4,342,117 | 38        |
| 2022-12-31 | £1,672,335 | £1,330,378  | £4,367,757 | 33        |
| 2021-12-31 | £1,094,023 | £1,042,435  | £3,965,075 | 26        |
| 2020-12-31 | £597,360   | £853,145    | £1,691,182 | 21        |

## Trustees

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| Name                                | Role  | Appointed  |
|-------------------------------------|-------|------------|
| <b>RIGHT REVEREND XAVIER PERRIN</b> | Chair | 2015-10-02 |
| FATHER GREGORY CORCORAN             |       | 2015-10-02 |
| FATHER NICHOLAS SPENCER             |       | 2015-10-02 |

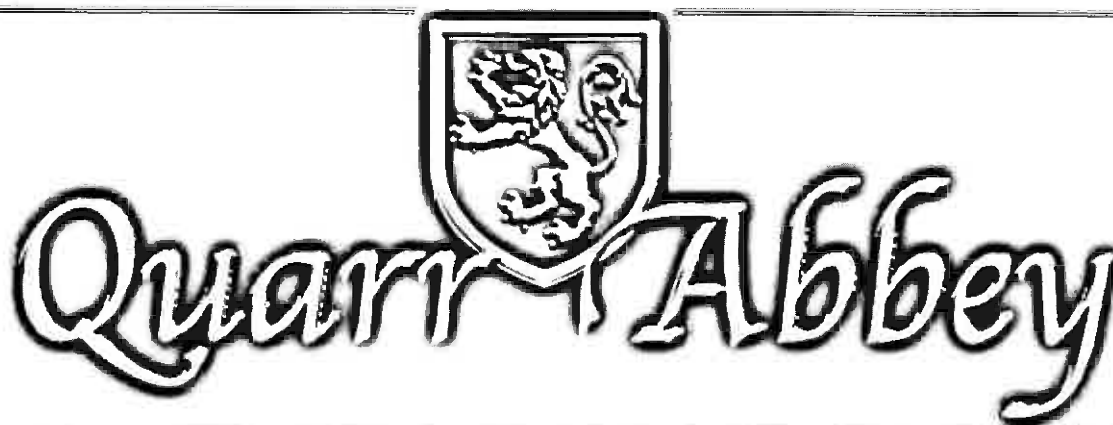
**ST MARY'S ABBEY, QUARR**

England & Wales - Charity number 1165957

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# Accounts

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**REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**FOR ST MARY'S ABBEY, QUARR**



Moore (South) LLP  
9 St John's Place  
Newport  
Isle of Wight  
PO30 1LH

ST MARY'S ABBEY, QUARR

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FOR THE YEAR ENDED 31 DECEMBER 2023

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## ST MARY'S ABBEY, QUARR

### FOREWORD FOR THE YEAR ENDED 31 DECEMBER 2023

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The Benedictine Community who run Quarr Abbey as a Monastery and a Charity is looking backward to 2023 as a good year. A young monk linked himself by temporary vows with the Community in June. A Postulant has begun his discernment process in August. Two senior monks celebrated their Silver Jubilee of Priestly Ordination. The ordinary Visitation of the house was conducted in January by the Abbot of Fontgombault and the Assistant to the Abbot President of the Congregation. The Visitors noted with satisfaction the climate of peace and welcomed the signs of growth in the Community. They encouraged a close examination of our organisation and a review of our governance to improve the management of the activities. Later in the year, the newly appointed Abbot of Solesmes and President of the Congregation paid his first visit to Quarr. He was impressed by the beauty of the site and the buildings built by his forefathers of Solesmes in the time of their exile in England at the beginning of the 20<sup>th</sup> Century. He expressed great confidence for the future and promised his and the Congregation's support.

In turn, Abbot Xavier attended at Solesmes the General Chapter of the Congregation together with around 30 superiors of monastic houses who had travelled from Europe, Africa and North America. He made known the financial needs of the Abbey and received promises of help towards the foreseeable refurbishment works in the guesthouse. A Safeguarding Guidance Document was approved for the Congregation, to be adapted by each house according to their circumstances. Abbot Xavier acted as Canonical Visitor to communities of nuns (one in France and one in Scotland) and preached the retreat at Belmont Abbey (Herefordshire). This is typical of the life of Benedictine houses, all basically independent, but nationally and internationally linked by ties of support and fraternity.

The interest for Quarr remains high with the public. A group of London architects visited the new Abbey, whilst guided tours of the ruins of the old Abbey proved so popular that a new series had to be organised. Many events took place drawing to the Abbey different publics. In July, Jim Towey, lawyer to the late Mother Teresa of Calcutta, paid an important visit to Quarr, giving talks and meeting with different groups, whilst advising our managing team around fundraising in which he has a great expertise. Two days of talks were organised on the occasion of his presence with speakers from the Isle of Wight and the mainland, attended by over 250 visitors. At the end of the same month, the usual Organ Recitals series hosted highly talented organists from England and the USA who expressed their joy at playing the Cavallé-Coll instrument. In September, a Chant Forum gathered a wide international group for 3 days of intense study and performance of Gregorian Chant. At the beginning of December, a Christmas market was an opportunity to welcome at the Abbey artists and craftsmen and women of the Island, whilst, closer to the feast of Christmas, an exceptionally crowded Christmas Carol service helped many to approach the beautiful mystery of this unique season of the year.

Dealing with ash dye back has become a sad feature of woodland life these days. A first campaign has secured the felling of part of the trees, whilst other areas had to be temporarily closed to the public, and others will be dealt with next year. We also had a very useful fire inspection in September which led to a few minor adjustments to our fire safety procedures and equipment.

The businesses have been performing well overall even if it remains obvious that we are still very much in the aftermath of the pandemic which hit them so much. It requires great vigilance to adapt nearly all the time to new circumstances of suppliers, on the one hand, and visitors, on the other hand, whilst taking sufficient care of our staff. We welcome as an encouraging sign the success of our line of in-house made products, as well as the timid but constant growth of our online shop.

The positive tone of this foreword does not mean that we are not touched by the general fragility and insecurity which seems to be a hallmark of our times. The Trustees are aware that these call for ever greater care for all – monks, staff, volunteers and visitors – who come to the Abbey. Compliance with ever-growing demands from external regulations can be at time a challenge for our limited managing team. We are hoping to be able to adjust our governance and put in place a fundraising strategy to cope with the challenges of maintaining our buildings and estate so that they can better serve the aims of our Charity for the good of as many as possible.

Fr Xavier, Quarr Abbey

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. This report also includes the requirements of a Directors' Report under Company Law. The Trustees who served during the year and since the year end are as shown on page 10.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to these accounts and comply with the Trust's Memorandum & Articles of Association, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objects, aims and intended impact**

The principal objects of St Mary's Abbey, Quarr ("The Abbey") are the maintenance of worship in the Abbey Church and of the resident Benedictine Community; and the promotion of the Catholic Faith for the benefit of the public through carrying out spiritual duties in the community including the giving of retreats.

The Abbey generates its main commercial income through the successful operation of an Art gallery, Tea Shop, Farm Shop, Monastery Shop, Holiday Cottage, and Bookbindery; all of which are popular with the local Island population as well as tourists and provide a steady income for the Abbey.

The central aim of the Abbey's commercial and financial plans is to achieve the long-term sustainability of the Abbey and its operations where, each year, expenditure is balanced with income.

During the year, the Abbey received further restricted and unrestricted donations, and these were used towards meeting the cost of specific projects and the running costs of the Abbey. The Abbey also received income from the production and licensing of Quarr Abbey products.

##### **Objectives for the year**

The following core objectives will continue to be the prime focus for the management team during the year:

- Updating and reviewing the short-, medium- and long-term financial framework for the Abbey to deliver 2032 vision
- Identifying additional financial opportunities and savings to support the financial sustainability of the Abbey.
- Raising new funds, through planned program of fund-raising targeting specific and urgent projects, for the maintenance and refurbishment of the Church and its buildings.
- Monitoring the on-going expenditure on various projects, to ensure that expenditure stays within budget and the approved purposes are met.
- Examining further measures and marketing strategy to ensure The Abbey's commercial activities produce a profit and building the business in the quieter months.

##### **Strategy for achieving objectives**

To enable The Abbey to maintain the momentum of progress made in recent years the following strategies are considered key:

- Building a strong management team through successful recruitment of the right candidates and a comprehensive succession plan including monks, professional employees, and external advisors.
- Supporting the fund raising activities established by the "Friends of Quarr".
- Maintaining a marketing plan for the Bookbindery.
- Continue with a vibrant marketing plan targeted to key audiences with a focus on digital and social marketing campaigns and selected print marketing in the Island Visitor magazine and direct marketing to island residents through regional and Island focussed publications to support business enterprises and visitors to the Abbey grounds.
- Regular management review of financial and commercial performance.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**OBJECTIVES AND ACTIVITIES (CONT) ...**

**Significant activities contributing to achievement of objectives**

Significant activities that will further contribute to the financial growth at The Abbey include the following:

- Examine measures and financial viability for the relocation of the farm shop to a permanent location as a standalone business from the tea shop
- Examine measures to increase indoor seating for the tea shop to increase all-year round capacity in poor weather and to maintain custom from our dog walking customers that are not able to use the tea shop.
- The training and development of the Management Team in effective budget management and commercial performance.
- Increase in the use of social media to meet new audiences who are interested in Quarr Abbey and gaining an audience that we can communicate with on a regular basis.
- Development of schemes to produce increased quantities of Abbey grown produce that are to be incorporated in Quarr Abbey branded products such as beer, cider, apple juice, confectionery, jams, chutneys, stationery and branded product.
- Continue to update the Website, to include relevant articles on the Abbey and its produce; together with the wider site which will serve to provide interest and information to the wider community.

**Public benefit**

The trustees confirm that they have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. This includes the additional guidance for charities on the advancement of the Catholic religion, in deciding what activities the charity should undertake, in line with its aims and objectives.

The Abbey promotes public benefit through the provision of a place of worship and a guesthouse which is used for the purpose of religious retreats. They are open to members of the public who wish to explore and seek time to reflect. To facilitate this, the community carries out spiritual duties and undertake the preservation of the historic Abbey buildings and ruins. Monks also conduct retreats elsewhere to other communities and groups. A Theological Conference Series occasionally takes place given by noted experts in the fields of Theology and Philosophy. A two-month Intern Program is in place for young men (aged between 18 and 25), and the Abbey hosts a Gregorian Chant Forum in conjunction with St Cecilia's Abbey. The Friends of Quarr also organize regular day retreats each year. Organ Recitals take place annually with the performance of religious music by noted organists.

While the Tea Shop serves to support the Abbey commercially it is also a vital part of providing hospitality to visitors with careful consideration given to its operation to reflect the tradition of hospitality within the Rule of St. Benedict. The grounds and the tea garden are used by many local and island visitors as a place of calm and wellbeing.

**ACHIEVEMENT AND PERFORMANCE**

**Review of Developments**

The community of Quarr Abbey seeks to remain faithful to its ideals according to the way of life laid down in its Rules and Constitution.

The community of monks and the monastery play an important role in the spiritual, social and educational life of the Isle of Wight. Many visitors from all over the world visit the monastery, recognizing it as a place of prayer, peace and tranquility.

In 2023, the community of monks at Quarr supported their spiritual aims by improving the Abbey's long-term financial and commercial performance through the following:

- Various intellectual pursuits are being conducted by the community including writing and translating books and articles.
- New choir books are being produced to enhance the celebration of our liturgies.
- The priests of the monastery continue to assist St Cecilia's Abbey with the celebration of masses and other ministerial works.
- Various members of the monastic community have preached retreats at other monasteries.
- Work was completed on the refurbishment of the monastery kitchen.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**ACHIEVEMENT AND PERFORMANCE**

**Review of Developments (Continued...)**

- Work was completed to refurbish and replace guttering to the Chapter house, work continued to the refurbishment of the monastery windows.
- Repair of water damage, improvements to insulation and redecoration was completed to the main office.
- The Isle of Wight Beekeepers continued with the management of the Abbey's hives and teaching Apiary.
- Successfully traded at three Island show days, included the County Show, Chale Show and Wolverton Show, raising funds and awareness of the Abbey and its product ranges.
- The first Christmas Fair was held in a marquee along with a winter events program, which was both popular and commercial success.
- Successfully launched Quar Abbey Gin and a range of branded stationery and gifts.
- Carpenters created and manufactured a range of bespoke products, which sold successfully from the farm shop.
- Two successful exhibitions were curated by the Abbey on the Book Bindery and The Two Abbeys Journey.
- Social media continued to grow achieving target of reaching over 5,000 active followers to our Facebook page.

**Grants and donations**

The trustees wish to express their gratitude to the individuals and organizations who have made donations and grants to the Abbey during the year.

Friends of Quarr Abbey  
St. Cecilia's Abbey  
Foundation of St Benedict of Nursia

**FINANCIAL REVIEW AND RESERVES POLICY**

During the year the Abbey received income of £1,448,747 (2022 - £1,672,335). The Abbey's commercial operation generated income of £762,201 (2022 - £673,260) of which represents sales in the Tea Shop, Farm Shop and Abbey Shop operated by the charity's subsidiary Quarr Abbey Enterprises Limited. The Abbey received donations, legacies and grants totalling £488,286 (2022 - £833,147), which included £57,704 (2022 - £51,132) in donations from guests staying in the Abbey's guesthouse.

Expenditure for the year amounted to £1,469,603 (2022 - £1,330,378). Of this, £550,206 (2022 - £580,142) related to the general upkeep of the Abbey and its Community and £878,812 (2022 - £741,090) to the costs of the activities for raising funds and commercial operations.

After taking into account the gains on the revaluation of the Abbey's investment portfolio the charity had incurred an overall deficit of £(18,153) when compared to the prior year surplus of £402,682, which included revaluation gains of £60,725.

The Abbey's funds totalling £4,349,604 (2022 - £4,367,757) are divided between unrestricted and restricted funds and are mainly comprised of tangible fixed assets and its investment portfolio.

At 31 December 2023 the investment portfolio was valued at £836,048 (2022 - £837,607) and the book value of tangible fixed assets was £960,621 (2022 - £978,619). Notable additions to equipment this year included computer and kitchen and grounds equipment of £36,719.

**Reserves policy**

It is the trustees' policy to retain reserves to ensure that the charity's day to day commitments for the ongoing costs of the upkeep of the Abbey and its community can be met. The Charitable Group had free reserves at the year end, being those reserves in unrestricted funds, not tied up in fixed assets or investment properties, of £1,059,490 (2022 - £1,048,852).

As the charity is dependent on income from donations, legacies and investment income, the timing and amount of which is variable in nature, the trustees consider that reserves should be sufficient to cover 9 to 12 months of these costs. In addition, reserves are held to cover the significant costs of ongoing maintenance and refurbishment programmes which continue to be required on the Abbey and its buildings. In reviewing the level of reserves the trustees are mindful of the requirements of the Congregation of Solesmes.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Investment performance**

The charity has a portfolio of investments, which is comprised of listed investments with a market value as at 31 December 2023 of £809,658 (2022 - £817,375), other unlisted investments of £16,006 (2022 - £16,006) and cash held for reinvestment of £10,384 (2022 - £4,226).

During the year the portfolio generated £32,740 (2022 - £26,830) of investment income, realised a loss on disposals of £246 (2022 - profits £5,467), and a revaluation gain of £2,703 (2022 – loss £80,210).

The portfolio is managed by Charles Stanley & Company Limited, who operate within specific guidelines that are set and regularly reviewed by the trustees. The strategy is to maximise total returns, within acceptable levels of risks. Investment management charges amounted to £3,920 (2022 -£4,260).

The Trustees expect that performance demanded by their investment policy will be achieved in the medium to long term.

**Risk Management**

The Trustees have carried out work on the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

**Trading subsidiary**

The charity has a wholly owned trading subsidiary, Quarr Abbey Enterprises Limited. The trading company operates the tea shop, farm shop and Abbey shop and the funds that it generates to assist the charity in meeting its objectives. Distributions were made in the year of £25,410 (2022 - £40,000) as donations to the charity, and a further donation was made after the year end of £25,081.

**Environmental Policy**

The Trustees believe that all businesses are responsible for achieving good environmental practice and operating in a sustainable manner. The board is therefore committed to reducing its environmental impact and continually improving its environmental performance as an integral and fundamental part of its business strategy and operating methods.

**PLANS FOR FUTURE PERIODS**

The Trustees, as advised by the Finance Committee and the Abbey's management team, are continuing with the Two Abbeys Journey to 2032. Looking at renovating buildings, develop new ways of welcoming, work at preserving the unique building of Quarr, and enhance the spiritual and cultural potential of the two abbeys. The Trustees wish to ensure a sufficient capacity to cater for the increased number of visitors to the Quarr Estate that is manageable and sustainable while supporting the abbey financially. The following are planned to be undertaken within the next twelve months:

- Further consolidation work on the Ancient Abbey Ruins with a grant application to the World Monument Fund and Historic England to support this. Introduce a 'contactless' method to facilitate further visitor donations.
- Continue work on the strategic 10-year plan (The Two Abbeys Journey To 2032).
- Begin again our annual bi-annual Theological Conferences and continue our bi-annual Chant.
- Continue an ongoing costed, budgeted, and phased maintenance plan for all Abbey buildings.
- Complete a program of structural and refurbishment to the Guest House funded from a program of fundraising.
- Implement a schedule of projects for the Abbey grounds and replace fruit cages and polytunnels in the monastery vegetable plot.
- Agree and implement an Events programme that financially supports the Abbey.
- Curate two exhibitions – Quarr Abbey a Photographic Journey and Monastic Life at Medieval Quarr Abbey.
- Develop the online shop platform to improve user experience, grow the range of products available and achieve commercial targets..
- Continue to budget and plan for the implementation of measures from the ongoing review of current health and safety and fire and including the launch of the updated Health and Safety Policy for Staff and Volunteers.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**PLANS FOR FUTURE PERIODS (continued ...)**

- Roll out of updated Employee Handbook.
- Continue to work with schools giving work experience, supporting careers development, Young Enterprise program and visit opportunities at the Abbey.
- Continue to develop our social media presence on Facebook, Instagram and X to reach new audiences.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

St Mary's Abbey, Quarr, Incorporated Charity was incorporated in England and Wales on 2 October 2015 by articles of association and is constituted by guarantee. It was subsequently registered with the Charity Commission on 9 March 2016.

Responsibility for decision making rests with the Trustees; all of whom are senior members of the Benedictine Community. The Trustees holding office during the period and at the date of this report are included within the reference and administrative details section of this report. Trustees are currently elected by the members of the Community at Quarr through the Abbot's Council.

The Trustees are supported in their decision making by the Procurator and a finance advisory committee consisting of external advisors, together with the Fundraising and Operations director, the Commercial Manager and the Estate Manager, to whom the delegation of operational matters within agreed budgets and project plans ensures the smooth running of the Group. The Charity's governing document precludes the trustees from receiving any remuneration. The pay for employees starts with recommendations from the budget setting process and the finance advisory group, but is ultimately a decision for the Trustees.

The Charity's governing document precludes the Trustees from receiving any remuneration.

**Induction and training of new trustees**

New Trustees are provided with a copy of the memorandum and articles of association and informed of their obligations under company and charity law. All Trustees are encouraged to attend appropriate external courses which may assist them to carry out their role.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

**Statement as to Disclosure of Information to Auditors**

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he / she ought to have taken as a Trustee in order to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

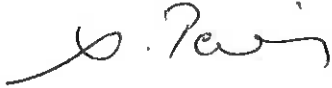
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**Auditors**

Bright Brown Limited has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by order of the board of trustees on 25/9/2024 and signed on its behalf by:



Rt Rev Dom Xavier Perrin Abbot and Head Trustee

**ST MARY'S ABBEY, QUARR**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Registered Company number**  
09806062 (England and Wales)

**Registered Charity number**  
1165957

**Principal address**  
Quarr Abbey  
Quarr Road, Ryde  
Isle of Wight PO33 4ES

**Abbot and Head Trustee**  
Rt. R Dom Xavier Perrin

**Trustees**  
R Dom Nicholas Spencer  
R Dom Gregory Corcoran

**Procurator**  
R Dom Brian Kelly

**Secretary**  
R Dom Brian Kelly

**Auditor**  
Bright Brown Limited  
Exchange House  
St Cross Lane  
Newport  
Isle of Wight  
PO30 5BZ

**Bankers** Lloyds Bank plc 35 Union Street Ryde  
Isle of Wight PO33 2LH

**Investment managers**  
Charles Stanley & Company Limited 55 Bishopsgate  
London EC2N 3AS

## INDEPENDENT AUDITORS REPORT

### TO THE MEMBERS OF ST MARY'S ABBEY, QUARR FOR THE YEAR ENDED 31 DECEMBER 2023

#### Qualified Opinion

We have audited the financial statements of St Mary's Abbey, Quarr (the 'parent charitable company') and its subsidiary (the 'charitable group') for the year ended 31 December 2023 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheets, the consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Charities SORP 2019.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011; and
- have been prepared in accordance with the Charities SORP 2019.

#### Basis for qualified opinion

The group financial statements include cash donation income of £61,314 over which limited controls exist prior to the cash received being recorded in the parent charitable company's accounting records. There were no practical procedures available to us to confirm the completeness of this income, and accordingly, we were unable to obtain sufficient appropriate audit evidence in this area. Consequently, we were unable to determine whether any adjustments to the amount of £61,314 of cash donations income recorded was necessary. In addition, were any adjustment to the cash income to be required, the strategic report would also need to be amended.

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 group and parent financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 qualified opinion.

#### Conclusions relating to going concern

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

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

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

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the cash donation income of £61,314 recorded in the period. We have concluded that where the other information refers donations income or related balances such as total income it may be materially misstated for the same reason.

## INDEPENDENT AUDITORS REPORT

### TO THE MEMBERS OF ST MARY'S ABBEY, QUARR FOR THE YEAR ENDED 31 DECEMBER 2023

#### Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis of qualified opinion section of our report, in our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, including the incorporated Strategic Report for the financial period for which the accounts are prepared, is consistent with the financial statements; and
- the Trustees' Report, including the incorporated Strategic Report, have been prepared in accordance with applicable legal requirements.

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

Except for the matter described in the basis of qualified opinion section of our report, in the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated Strategic Report.

Arising solely from the limitation on the scope of our work relating to cash donation income, referred to above:

- we have not obtained all the information and explanations that we consider necessary for the purposes of our audit; and
- we were unable to determine whether adequate accounting records have been kept by the parent charitable company.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on page 6, the trustees (who are also the directors of the group charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and parent charitable company, the principal risks are that of management override of controls, valuation of investment properties, potential fraud in revenue recognition and potential for undisclosed related parties. The engagement team considered these risks and audit procedures were undertaken as follows:

- Discussions with management regarding the ability to override controls and review of processes in place to confirm no override had occurred.
- Extension of sample sizes relating to revenue recognition.
- Review of external valuer reports relating to the investment properties held.
- Review of financial statement disclosures, including completion of a relevant disclosure checklist.
- Discussions with management regarding transactions with related parties, including consideration of any known or suspected instances of non-compliance with laws and regulations or of fraud, and a review of the nominal ledger.

**INDEPENDENT AUDITORS REPORT**  
**TO THE MEMBERS OF ST MARY'S ABBEY, QUARR**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment or intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: [www.frc.org.uk/auditorsresponsibilities](http://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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and with Chapter 3 of Part 8 of the Charities Act 2011, and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charitable company's members 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 group and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Stevens ACA (Senior Statutory Auditor)  
For and on behalf of Bright Brown Limited  
Statutory Auditor, Chartered Accountants  
Exchange House  
Newport  
Isle of Wight  
PO30 5BZ

Dated 26/9/2024

ST MARY'S ABBEY, QUARR

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2023

|   | <u>Note</u> | <u>Unrestricted<br/>Funds<br/>£</u> | <u>Restricted<br/>Funds<br/>£</u> | <u>Total<br/>Funds<br/>2023<br/>£</u> | <u>Total<br/>Funds<br/>2022<br/>£</u> |
|---|-------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| <b>Income and Endowments from:</b>        |             |                                     |                                   |                                       |                                       |
| Donations and legacies                    | 3           | 482,136                             | 6,150                             | 488,286                               | 833,147                               |
| Other trading activities                  | 4           | 869,725                             | -                                 | 869,725                               | 748,666                               |
| Investment income                         | 5           | 85,736                              | -                                 | 85,736                                | 78,718                                |
| Other                                     | 6           | <u>5,000</u>                        | <u>-</u>                          | <u>5,000</u>                          | <u>11,804</u>                         |
| <b>Total income</b>                       |             | <u>1,442,597</u>                    | <u>6,150</u>                      | <u>1,448,747</u>                      | <u>1,672,335</u>                      |
| <b>Expenditure on:</b>                    |             |                                     |                                   |                                       |                                       |
| Raising funds                             | 7           | 878,812                             | -                                 | 878,812                               | 741,090                               |
| Charitable activities                     | 8           | <u>573,848</u>                      | <u>16,943</u>                     | <u>590,791</u>                        | <u>589,288</u>                        |
| <b>Total expenditure</b>                  |             | <u>1,452,660</u>                    | <u>16,943</u>                     | <u>1,469,603</u>                      | <u>1,330,378</u>                      |
| Net gains/(losses) on investments         | 10          | <u>2,703</u>                        | <u>-</u>                          | <u>2,703</u>                          | <u>60,725</u>                         |
| <b>Net income/(expenditure)</b>           |             | <u>(7,360)</u>                      | <u>(10,793)</u>                   | <u>(18,153)</u>                       | <u>402,682</u>                        |
| Transfers between funds                   |             | <u>-</u>                            | <u>-</u>                          | <u>-</u>                              | <u>-</u>                              |
| <b>Net movement in funds</b>              |             | <u>(7,360)</u>                      | <u>(10,793)</u>                   | <u>(18,153)</u>                       | <u>402,682</u>                        |
| <b>Reconciliation of funds</b>            |             |                                     |                                   |                                       |                                       |
| Total funds as at 1 January 2023          |             | <u>4,327,471</u>                    | <u>40,286</u>                     | <u>4,367,757</u>                      | <u>3,965,075</u>                      |
| <b>Total funds as at 31 December 2023</b> |             | <u>4,320,111</u><br>=====           | <u>29,493</u><br>=====            | <u>4,349,604</u><br>=====             | <u>4,367,757</u><br>=====             |

All income and expenditure has arisen from continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

The individual results of the Charity alone are included in the note to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006.

ST MARY'S ABBEY, QUARR

BALANCE SHEET  
AT 31 DECEMBER 2023

|   | <u>Note</u> | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>Funds<br>2023<br>£ | Total<br>Funds<br>2022<br>£ |
|---|-------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>Fixed assets</b>   |             |                            |                          |                             |                             |
| Tangible assets   | 16          | 863,647                    | -                        | 863,647                     | 871,122                     |
| Investment properties                                       | 17          | 2,300,000                  | -                        | 2,300,000                   | 2,300,000                   |
| Investments   | 18          | <u>836,050</u>             | <u>-</u>                 | <u>836,050</u>              | <u>837,609</u>              |
|   |             | 3,999,697                  | -                        | 3,999,697                   | 4,008,731                   |
| <b>Current assets</b>                                       |             |                            |                          |                             |                             |
| Stocks  | 19          | 2,500                      | -                        | 2,500                       | 4,000                       |
| Debtors   | 20          | 194,542                    | -                        | 194,542                     | 148,655                     |
| Cash at bank and in hand                                    |             | <u>218,003</u>             | <u>29,493</u>            | <u>247,496</u>              | <u>322,342</u>              |
|   |             | 415,045                    | 29,493                   | 444,538                     | 474,997                     |
| <b>Creditors: amounts falling due within one year</b>       | 21          | <u>(84,201)</u>            | <u>-</u>                 | <u>(84,201)</u>             | <u>(104,110)</u>            |
| <b>Net current assets</b>                                   |             | <u>330,844</u>             | <u>29,493</u>            | <u>360,337</u>              | <u>370,887</u>              |
| <b>Total assets less current liabilities</b>                |             | 4,330,541                  | 29,493                   | 4,360,034                   | 4,379,618                   |
| <b>Creditors: amounts falling due in More than one year</b> | 22          | <u>(17,917)</u>            | <u>-</u>                 | <u>(17,917)</u>             | <u>(16,640)</u>             |
| <b>Net Assets</b>   |             | <u>4,312,624</u><br>=====  | <u>29,493</u><br>=====   | <u>4,342,117</u><br>=====   | <u>4,362,978</u><br>=====   |
| <b>Funds</b>  |             |                            |                          |                             |                             |
| Unrestricted funds  |             |                            |                          | 4,312,624                   | 4,322,692                   |
| Restricted funds  | 23          |                            |                          | <u>29,493</u>               | <u>40,286</u>               |
| <b>Total Funds</b>  |             |                            |                          | <u>4,342,117</u><br>=====   | <u>4,362,978</u><br>=====   |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 25/9/2024 and were signed on its behalf by:



Fr Xavier Perrin  
Head Trustee and Abbot

ST MARY'S ABBEY, QUARR

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023

| <u>Note</u>   | 2023<br>£       | 2022<br>£        |
|---|-----------------|------------------|
| <b>Cashflow from operating activities:</b>                                |                 |                  |
| Cash generated from operations      See below                             | (59,646)        | <u>378,110</u>   |
| <b>Net cash provided by (used in) operating activities</b>                | <u>(59,646)</u> | <u>378,110</u>   |
| <b>Cash flows from investing activities:</b>                              |                 |                  |
| Purchase of tangible fixed assets   | (27,929)        | (353,531)        |
| Sale of tangible fixed assets   | -               | -                |
| Purchase of investment properties   | -               | (44,065)         |
| Sale of investments   | 47,039          | 232,096          |
| Purchase of investments   | (45,069)        | (133,905)        |
| Investment income received  | <u>85,736</u>   | <u>78,718</u>    |
| <b>Net cash provided by (used in) Investing activities</b>                | <u>59,777</u>   | <u>(220,687)</u> |
| <b>Cashflow from financing activities</b>                                 |                 |                  |
| Hire purchase repayments  | <u>(5,034)</u>  | <u>(550)</u>     |
| <b>Net cash provided by (used in) Financing activities</b>                | <u>(5,034)</u>  | <u>(550)</u>     |
| <b>Change in cash and cash equivalents In the reporting period</b>        | <u>(4,903)</u>  | <u>156,873</u>   |
| <b>Cash and cash equivalents at the Beginning of the reporting period</b> | <u>363,877</u>  | <u>207,004</u>   |
| <b>Cash and cash equivalents at the end of the reporting period</b>       | <u>358,974</u>  | <u>363,877</u>   |

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

|   | 2023<br>£       | 2022<br>£      |
|---|-----------------|----------------|
| <b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b> | (18,153)        | 402,682        |
| <b>Adjustments for:</b>   |                 |                |
| Depreciation charges  | 54,717          | 46,189         |
| Loss/(profit) on disposal of fixed assets   | -               | -              |
| Change in market value of investments   | (411)           | 81,802         |
| Fair value gains on investment property   | -               | (140,935)      |
| Investment income   | (85,736)        | (78,718)       |
| Decrease/(increase) in stock  | 1,099           | (13,409)       |
| Decrease/(increase) in debtors  | (12,591)        | 23,811         |
| Increase/(decrease) in creditors  | <u>1,429</u>    | <u>56,688</u>  |
| <b>Net cash provided by (used in) operating activities</b>  | <u>(59,646)</u> | <u>378,110</u> |

ANALYSIS OF CHANGES IN NET FUNDS

|                                | At<br>01/01/23<br>£ | Cash<br>flow<br>£ | Non cash<br>Changes<br>£ | At<br>31/12/23<br>£ |
|--------------------------------|---------------------|-------------------|--------------------------|---------------------|
| <b>Net Cash</b>                |                     |                   |                          |                     |
| Cash at bank and in hand       | 363,877             | (4,903)           | -                        | 358,974             |
| <b>Borrowings</b>              |                     |                   |                          |                     |
| Debt due with one year         | (3,520)             | 5,034             | (7,513)                  | (5,999)             |
| Debt due in more than one year | <u>(16,640)</u>     | <u>-</u>          | <u>(1,277)</u>           | <u>(17,917)</u>     |
| <b>Total</b>                   | <u>343,717</u>      | <u>131</u>        | <u>(8,790)</u>           | <u>335,058</u>      |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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1. CHARITY INFORMATION

St Mary's Abbey, Quarr, an Incorporated Charity, was incorporated in England and Wales on 2 October 2015 by Articles of Association and is constituted by guarantee. The registered company number is 009806062.

2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with the exception of investments, which are included at market value.

The trustees consider that there are no material uncertainties about the charities ability to continue as a going concern.

The presentation currency used in the financial statements is £ sterling.

**Parent Charity disclosure exemptions**

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and section 12 'Other Financial Instruments' Disclosures in respect of the parent charity's financial instruments have not been presented as equivalent disclosures are included in respect of the group as a whole;

**Group Financial Statements**

The financial statements consolidate the results of the charity and it's wholly owned subsidiary Quarr Abbey Enterprises Limited on a line-by-line basis. Intercompany transactions and balances between the two entities have been eliminated in full.

A separate Statement of Financial Activities for the charity has not been presented in full as the Charity has taken advantage of the exemptions afforded by s408 of the Companies Act 2006. Summary information is provided in note 15.

In accordance with the transitional exemptions available in FRS 102, the group has chosen not to retrospectively apply the standard to the business combinations that occurred before the date of transition.

**Fund accounting**

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (cont..)

**Income**

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

Income is the amount derived from ordinary activities and stated after any discounts and is net of VAT.

a) Grants

Income from grants is recognised, using the performance model, when the charity has entitlement to the funds, any performance conditions attached to the grant have been satisfied, receipt of the income is probable and the amount can be measured reliably.

b) Donations

Income from donations is recognised on receipt. Except where the donation includes terms and conditions, in which case income is recognised once any performance conditions attached to the donation have been satisfied.

c) Legacies

Income from legacies is recognised when the charity is aware that there has been grant of probate, notification has been received from the executors that a distribution will be made and any conditions attached to the legacy have been satisfied. Where the charity has been notified of a legacy but there is uncertainty to the amount of the payment the legacy, is treated as a contingent asset.

d) Sale of goods and refreshments

Income from goods and refreshments sold through the trading subsidiary is recognised on the supply of goods to the buyer and the income from the sale and cost of the goods sold can be measured reliably and income is probable.

e) Investment income

Income from funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity.

f) Covenanted pensions

Covenanted pensions are pensions receivable by members of the community which they pay to the charity under deed of covenant. Covenanted pensions are recognised when receivable and the amount can be measured reliably by the charity.

g) Guesthouse takings

Guesthouse takings are donations made by guest for using the guesthouse facilities. Income is recognised on receipt.

**Expenditure**

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

**Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include personnel, finance, administrative and governance costs which support the operation of the charity and its activities. These costs are allocated between the costs of charitable activities and raising funds. Further details of support costs are provided in note 9.

**Services provided by members of the community**

For the purposes of these accounts, no monetary value has been placed on the hospitality, administration and other services provided by the members of the community.

**Investments of subsidiaries**

Investments in subsidiaries are included at cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. ACCOUNTING POLICIES (cont..)****Other investments**

Listed investments are included at their market value. Realised and unrealized gains and losses are recognized in the statement of financial activities in the year in which they arise.

Unlisted investments are included at cost less impairment.

**Tangible fixed assets**

All tangible fixed assets are initially recognised at cost. Individual tangible fixed assets are capitalised and are depreciated over their estimated economic lives on a straight line basis. Lower amounts are expensed in the year of purchase

Depreciation is provided at the following annual rates:

|                         |             |
|-------------------------|-------------|
| Freehold property       | 2%          |
| Motor vehicles          | 10% and 20% |
| Furniture and equipment | 10% and 20% |

**Investment Properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

**Stocks**

Stocks representing goods held for sale by the trading subsidiary are measured at the lower of cost and the estimated selling price less costs to sell.

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from past events that will probably result in the transfer of funds to a third party and the amount to be settled can be measured or estimated reliably.

**Leases**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**Financial instruments**

The charity only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and debt instruments are subsequently measured at amortised cost.

**Loan to subsidiary company**

The Charity accounts for a loan to its subsidiary trading company as a concessionary loan. The loan is measured at the amount paid. No interest has been accrued.

**Taxation**

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

**Judgements in applying accounting policies**

In preparing these financial statements the trustees have made the following judgements:

- Determining whether income is restricted or unrestricted. These decisions depend upon whether the donor has given the income subject to certain terms or conditions which impose a restriction in trust law.
- Determining the allocation of support costs to activities. These decisions depend upon whether the costs can be directly attributed to an activity or shared between specific activities. The balance of costs is apportioned between the activities.

**Key sources of estimation uncertainty**

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors. Factors affecting the lives of assets include technological innovation and maintenance programmes.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

3. DONATIONS AND LEGACIES

|                             | 2023<br>Unrestricted<br>£ | 2023<br>Restricted<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|-----------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Donations                   | 302,881                   | 6,150                   | 309,031            | 326,250            |
| Legacies                    | 28,511                    | -                       | 28,511             | 56,995             |
| Grants                      | -                         | -                       | -                  | 332,845            |
| Donated guest house takings | 57,704                    | -                       | 57,704             | 51,132             |
| Mass offerings              | 49,756                    | -                       | 49,756             | 26,682             |
| Covenanted pensions         | <u>43,284</u>             | <u>-</u>                | <u>43,284</u>      | <u>39,243</u>      |
|                             | 482,136                   | 6,150                   | 488,286            | 833,147            |
|                             | =====                     | =====                   | =====              | =====              |

Grants received, included in the above, are as follows:

|                               | 2023<br>Unrestricted<br>£ | 2023<br>Restricted<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|-------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Church Abbey roof and windows | -                         | -                       | -                  | 211,208            |
| Abbey ruins project           | -                         | -                       | -                  | 30,000             |
| Listed places of worship      | -                         | -                       | -                  | 38,358             |
| Infirmary roof                | -                         | -                       | -                  | 51,158             |
| Other                         | <u>-</u>                  | <u>-</u>                | <u>-</u>           | <u>2,121</u>       |
|                               | -                         | -                       | -                  | 332,845            |
|                               | =====                     | =====                   | =====              | =====              |

Included in donations is an amount of £4,272 (2022 - £4,011) raised by the Friends of Quarr on behalf of the charity.

4. OTHER TRADING ACTIVITIES

|                               | 2023<br>£     | 2022<br>£  |
|-------------------------------|---------------|------------|
| Sales of Quarr Abbey products | 26,687        | 29,493     |
| Tea shop and farm shop        | 762,200       | 673,260    |
| Holiday cottage rental        | 37,800        | 26,800     |
| Art at Quarr                  | 17,366        | 13,303     |
| Book bindery                  | 12,450        | 5,460      |
| Estate                        | <u>13,222</u> | <u>350</u> |
|                               | 869,725       | 748,666    |
|                               | =====         | =====      |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

5. INVESTMENT INCOME

|                             | 2023<br>£     | 2022<br>£     |
|-----------------------------|---------------|---------------|
| Investment portfolio income | 32,740        | 26,830        |
| Rental income               | 51,536        | 51,603        |
| Interest receivable         | <u>1,460</u>  | <u>285</u>    |
|                             | <u>85,736</u> | <u>78,718</u> |
|                             | =====         | =====         |

6. OTHER INCOME

|                                      | 2023<br>£    | 2022<br>£     |
|--------------------------------------|--------------|---------------|
| Miscellaneous income                 | 697          | 118           |
| Feed in tariff                       | 4,303        | 6,219         |
| (Loss)/profit on sale of investments | <u>-</u>     | <u>5,467</u>  |
|                                      | <u>5,000</u> | <u>11,804</u> |
|                                      | =====        | =====         |

7. RAISING FUNDS

|   | 2023<br>Unrestricted<br>£ | 2023<br>Restricted<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|---|---------------------------|-------------------------|--------------------|--------------------|
| <b>Raising funds</b>                          |                           |                         |                    |                    |
| Investment management fees                    | 3,920                     | -                       | 3,920              | 4,260              |
| <b>Trading: Cost of sales and other costs</b> |                           |                         |                    |                    |
| Cost of Quarr Abbey products                  | 8,885                     | -                       | 8,885              | 10,569             |
| Book bindery                                  | 10,545                    | -                       | 10,545             | -                  |
| Trading company direct costs                  | 369,636                   | -                       | 369,636            | 313,686            |
| Holiday let commission and expenses           | 12,961                    | -                       | 12,961             | 13,815             |
| Repairs, maintenance and cleaning             | 5,805                     | -                       | 5,805              | 16,938             |
| Public relations and marketing                | 26,408                    | -                       | 26,408             | 30,087             |
| Light & heat and other establishment expenses | 72,783                    | -                       | 72,783             | 32,201             |
| Bank charges                                  | 3,422                     | -                       | 3,422              | 613                |
| Support costs (note 9)                        | <u>364,447</u>            | <u>-</u>                | <u>364,447</u>     | <u>318,921</u>     |
|   | <u>878,812</u>            | <u>-</u>                | <u>878,812</u>     | <u>741,090</u>     |
|   | =====                     | ==                      | =====              | =====              |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

8. CHARITABLE ACTIVITIES COSTS

|   | 2023<br>Unrestricted<br>£ | 2023<br>Restricted<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|---|---------------------------|-------------------------|--------------------|--------------------|
| <b>General upkeep of the Abbey and<br/>It's Community</b> |                           |                         |                    |                    |
| Premises costs  | 92,823                    | -                       | 92,823             | 73,394             |
| Personal and living costs                                 | 51,711                    | 1,000                   | 52,711             | 47,015             |
| Motor expenses  | 8,729                     | -                       | 8,729              | 6,741              |
| Education costs   | 3,894                     | -                       | 3,894              | 3,908              |
| Hire purchase interest                                    | 1,135                     | -                       | 1,135              | 144                |
| Miscellaneous costs                                       | 5,586                     | -                       | 5,586              | 12,058             |
| Repairs   | 21,125                    | -                       | 21,125             | 81,607             |
| Support costs (note 9)                                    | <u>364,203</u>            | -                       | <u>364,203</u>     | <u>355,275</u>     |
|   | <u>549,206</u>            | <u>1,000</u>            | <u>550,206</u>     | <u>580,142</u>     |
| <b>Other charitable activities</b>                        |                           |                         |                    |                    |
| Funded by Friends of Quarr                                | -                         | 1,749                   | 1,749              | 482                |
| Other   | 19,415                    | -                       | 19,415             | -                  |
| Conservation of the Abbey ruins                           | -                         | <u>14,194</u>           | <u>14,194</u>      | <u>718</u>         |
|   | 19,415                    | 15,943                  | 35,358             | <u>1,200</u>       |
| <b>Donations</b>  |                           |                         |                    |                    |
| Donations   | <u>5,227</u>              | -                       | <u>5,227</u>       | <u>7,946</u>       |
| Total Charitable Activities costs                         | <u>573,848</u>            | <u>16,943</u>           | <u>590,791</u>     | <u>589,288</u>     |

9. SUPPORT COSTS

|  | 2023<br>Charitable<br>Activities<br>£ | 2023<br>Raising<br>Funds<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|--|---------------------------------------|-------------------------------|--------------------|--------------------|
| Staff costs and emoluments (note 13)     | 263,004                               | 269,997                       | 533,001            | 484,010            |
| Staff welfare and training               | 940                                   | -                             | 940                | 973                |
| Depreciation                             | 44,194                                | 10,523                        | 54,717             | 46,189             |
| Profit on disposal of fixed assets       | 2,364                                 | -                             | 2,364              | -                  |
| Legal and professional expenses          | 32,638                                | -                             | 32,638             | 44,440             |
| Trading company overheads & PR/marketing | -                                     | 83,927                        | 83,927             | 74,357             |
| Office and administrative costs          | <u>21,063</u>                         | -                             | <u>21,063</u>      | <u>24,227</u>      |
|  | <u>364,203</u>                        | <u>364,447</u>                | <u>728,650</u>     | <u>674,196</u>     |

The administrative costs of the trading subsidiary are allocated to fund raising support cost, all other support costs are allocated to charitable activities.

10. NET GAINS/(LOSSES) ON INVESTMENTS

|                                      | 2023<br>Unrestricted<br>£ | 2023<br>Restricted<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|--------------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Revaluation of investment properties | -                         | -                       | -                  | 140,935            |
| Gains/(losses) on investments        | <u>2,703</u>              | -                       | <u>2,703</u>       | <u>(80,210)</u>    |
|                                      | <u>2,703</u>              | -                       | <u>2,703</u>       | <u>60,725</u>      |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

11. NET EXPENDITURE

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

|                             | 2023         | 2022         |
|-----------------------------|--------------|--------------|
|                             | £            | £            |
| Auditors fees               | 11,450       | 11,450       |
| Depreciation – owned assets | 54,717       | 46,189       |
|                             | <u>=====</u> | <u>=====</u> |

12. TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

There were no trustees' remuneration or other benefits or expenses paid to Trustees for the year ended 31 December 2023, nor for the year ended 31 December 2022.

13. STAFF COSTS

|                       | 2023         | 2022         |
|-----------------------|--------------|--------------|
|                       | £            | £            |
| Wages and salaries    | 497,448      | 446,892      |
| Social security costs | 27,974       | 29,815       |
| Pension costs         | <u>7,578</u> | <u>7,303</u> |
|                       | 533,000      | 484,010      |
|                       | <u>=====</u> | <u>=====</u> |

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

|   | 2023      | 2022      |
|---|-----------|-----------|
|   | £         | £         |
| General upkeep of the Abbey and its community | 10        | 10        |
| Administration                                | 2         | 2         |
| Tea shop and farm shop                        | <u>26</u> | <u>21</u> |
|   | 38        | 33        |
|   | <u>==</u> | <u>==</u> |

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

The Group operates a defined contribution pension scheme for employees with the funds held by an external provider. The above contributions were paid to the scheme in the year. At the year end £2,696 (2022 - £1,743) was due to the scheme.

The total costs attributable to senior management personnel amounted to £107,571 for the year to December 2023 (2022: £104,523). Senior management personnel comprise the Director of Fundraising and Operations, Commercial Manager and Head Gardener.

Due to changes in the year, the comparatives are not a like for like comparison, but the roles are similar.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£       |
|--|----------------------------|--------------------------|---------------------------|
| <b>INCOME AND ENDOWMENTS FROM:</b>       |                            |                          |                           |
| Donations and legacies                   | 529,320                    | 303,827                  | 833,147                   |
| Other trading activities                 | 748,666                    | -                        | 748,666                   |
| Investment income                        | 78,718                     | -                        | 78,718                    |
| Other                                    | <u>11,804</u>              | <u>-</u>                 | <u>11,804</u>             |
| <b>Total</b>                             | <u>1,368,508</u>           | <u>303,827</u>           | <u>1,672,335</u>          |
| <b>EXPENDITURE ON:</b>                   |                            |                          |                           |
| Raising funds                            | 741,090                    | -                        | 741,090                   |
| Charitable activities                    | <u>572,206</u>             | <u>17,082</u>            | <u>589,288</u>            |
| <b>Total</b>                             | <u>1,313,296</u>           | <u>17,082</u>            | <u>1,330,378</u>          |
| Net gains(losses) on investments         | <u>60,725</u>              | <u>-</u>                 | <u>60,725</u>             |
| <b>NET INCOME/(EXPENDITURE)</b>          | 115,937                    | 286,745                  | 402,682                   |
| Transfers between funds                  | <u>262,366</u>             | <u>(262,366)</u>         | <u>-</u>                  |
| <b>NET MOVEMENT IN FUNDS</b>             | 378,303                    | 24,379                   | 402,682                   |
| <b>RECONCILIATION OF FUNDS</b>           |                            |                          |                           |
| Total funds brought as at 1 January 2022 | <u>3,949,168</u>           | <u>15,907</u>            | <u>3,965,075</u>          |
| <b>TOTAL FUNDS CARRIED FORWARD</b>       | <u>4,327,471</u><br>=====  | <u>40,286</u><br>=====   | <u>4,367,757</u><br>===== |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

15. PARENT CHARITY RESULT FOR THE YEAR

The parent charity has taken the exemption under S408 CA2006 to not present its own separate Statement of Financial Activities. A summary of its financial result is presented below:

|                                   | 2023<br>£        | 2022<br>£        |
|-----------------------------------|------------------|------------------|
| Total income                      | 711,956          | 1,028,620        |
| Total expenditure                 | (735,520)        | (687,316)        |
| Net gains/(losses) on investments | <u>2,703</u>     | <u>60,725</u>    |
| Net movements in funds            | (20,861)         | 402,029          |
| Total funds brought forward       | <u>4,362,978</u> | <u>3,960,949</u> |
| Total funds carried forward       | <u>4,342,117</u> | <u>4,362,978</u> |
|                                   | =====            | =====            |

16. TANGIBLE FIXED ASSETS

| Group                  | Freehold<br>Property<br>£ | Motor<br>vehicles<br>£ | Furniture &<br>equipment<br>£ | Totals<br>£      |
|------------------------|---------------------------|------------------------|-------------------------------|------------------|
| <b>COST</b>            |                           |                        |                               |                  |
| At 1 January 2023      | 977,196                   | 30,210                 | 351,382                       | 1,358,788        |
| Additions              | -                         | -                      | 36,719                        | 36,719           |
| Disposal               | -                         | -                      | <u>(5,426)</u>                | <u>(5,426)</u>   |
| At 31 December 2023    | <u>977,196</u>            | <u>30,210</u>          | <u>382,675</u>                | <u>1,390,081</u> |
| <b>DEPRECIATION</b>    |                           |                        |                               |                  |
| At 1 January 2023      | 83,496                    | 2,899                  | 293,774                       | 380,169          |
| Charge for year        | 19,643                    | 3,546                  | 31,528                        | 54,717           |
| Eliminated on disposal | -                         | -                      | <u>(5,426)</u>                | <u>(5,426)</u>   |
| At 31 December 2023    | <u>103,139</u>            | <u>6,445</u>           | <u>319,876</u>                | <u>429,460</u>   |
| <b>NET BOOK VALUE</b>  |                           |                        |                               |                  |
| At 31 December 2023    | 874,057                   | 23,765                 | 62,799                        | 960,621          |
|                        | =====                     | =====                  | =====                         | =====            |
| At 31 December 2022    | 893,700                   | 27,311                 | 57,608                        | 978,619          |
|                        | =====                     | =====                  | =====                         | =====            |

The motor vehicles and equipment included in the Group and Charity fixed asset schedule included assets with a net book value of £36,660 (2022 - £24,336 ) acquired under finance lease agreements, with depreciation being charged in the year at £3,276 (2022 - £624).

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

16. TANGIBLE FIXED ASSETS (Cont...)

| Charity                | Freehold<br>Property<br>£ | Motor<br>vehicles<br>£ | Furniture and<br>equipment<br>£ | Total<br>£       |
|------------------------|---------------------------|------------------------|---------------------------------|------------------|
| <b>COST</b>            |                           |                        |                                 |                  |
| At 1 January 2023      | 854,511                   | 30,210                 | 241,615                         | 1,126,336        |
| Additions              | -                         | -                      | 36,719                          | 36,719           |
| Disposals              | -                         | -                      | (5,426)                         | (5,426)          |
| At 31 December 2023    | <u>854,511</u>            | <u>30,210</u>          | <u>272,908</u>                  | <u>1,157,629</u> |
| <b>DEPRECIATION</b>    |                           |                        |                                 |                  |
| At 1 January 2023      | 57,358                    | 2,899                  | 194,957                         | 255,214          |
| Charge for year        | 17,089                    | 3,546                  | 23,559                          | 44,194           |
| Eliminated on disposal | -                         | -                      | (5,426)                         | (5,426)          |
| At 31 December 2023    | <u>74,447</u>             | <u>6,445</u>           | <u>213,090</u>                  | <u>293,982</u>   |
| <b>NET BOOK VALUE</b>  |                           |                        |                                 |                  |
| At 31 December 2023    | <u>780,064</u>            | <u>23,765</u>          | <u>59,818</u>                   | <u>863,647</u>   |
| At 31 December 2022    | <u>797,153</u>            | <u>27,311</u>          | <u>46,658</u>                   | <u>871,122</u>   |

17. INVESTMENT PROPERTIES

Group

|   |  |                  |
|---|--|------------------|
| <b>FAIR VALUE</b>                       |  | <b>2023</b>      |
| At 1 January 2023                       |  | 2,300,000        |
| Additions                               |  | -                |
| Net gains through fair value adjustment |  | -                |
| At 31 December 2023                     |  | <u>2,300,000</u> |

**2023**  
**£**

Charity

|   |  |                  |
|---|--|------------------|
| <b>FAIR VALUE</b>                       |  | <b>2023</b>      |
| At 1 January 2023                       |  | 2,300,000        |
| Additions                               |  | -                |
| Net gains through fair value adjustment |  | -                |
| At 31 December 2023                     |  | <u>2,300,000</u> |

The fair value of the investment property has been arrived at on the basis of a professional valuation by Tim Smart, Surveyors, a local independent chartered surveyor, reviewed in June 2024.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

18. FIXED ASSET INVESTMENTS

| Group                 | Listed<br>Investments<br>£ | Unlisted<br>Investments<br>£ | Cash and<br>settlements<br>pending<br>£ | Totals<br>£      |
|-----------------------|----------------------------|------------------------------|---|------------------|
| <b>MARKET VALUE</b>   |                            |                              |   |                  |
| At 1 January 2023     | 817,375                    | 16,006                       | 4,226                                   | 837,607          |
| Additions             | 45,069                     | -                            | -                                       | 45,069           |
| Disposals             | (53,197)                   | -                            | -                                       | (53,197)         |
| Other movement        | (2,292)                    | -                            | 6,158                                   | 3,866            |
| Revaluations          | <u>2,703</u>               | <u>-</u>                     | <u>-</u>                                | <u>2,703</u>     |
| At 31 December 2023   | 809,658<br>=====           | 16,006<br>=====              | 10,384<br>=====                         | 836,048<br>===== |
| <b>NET BOOK VALUE</b> |                            |                              |   |                  |
| At 31 December 2023   | 809,658<br>=====           | 16,006<br>=====              | 10,384<br>=====                         | 836,048<br>===== |
| At 31 December 2022   | 817,375<br>=====           | 16,006<br>=====              | 4,226<br>=====                          | 837,607<br>===== |

| Charity               | Shares in<br>Group<br>Undertakings<br>£ | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Cash and<br>settlements<br>pending<br>£ | Totals<br>£      |
|-----------------------|---|----------------------------|------------------------------|---|------------------|
| <b>MARKET VALUE</b>   |   |                            |                              |   |                  |
| At 1 January 2023     | 2                                       | 817,375                    | 16,006                       | 4,226                                   | 837,609          |
| Additions             | -                                       | 45,069                     | -                            | -                                       | 45,069           |
| Disposals             | -                                       | (53,197)                   | -                            | -                                       | (53,197)         |
| Other movements       | -                                       | (2,292)                    | -                            | 6,158                                   | 3,866            |
| Revaluations          | <u>-</u>                                | <u>2,703</u>               | <u>-</u>                     | <u>-</u>                                | <u>2,703</u>     |
| At 31 December 2023   | 2<br>==                                 | 809,658<br>=====           | 16,006<br>=====              | 10,384<br>=====                         | 836,050<br>===== |
| <b>NET BOOK VALUE</b> |   |                            |                              |   |                  |
| At 31 December 2023   | 2<br>==                                 | 809,658<br>=====           | 16,006<br>=====              | 10,384<br>=====                         | 836,050<br>===== |
| At 31 December 2022   | 2<br>==                                 | 817,375<br>=====           | 16,006<br>=====              | 4,226<br>=====                          | 837,609<br>===== |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

18. FIXED ASSET INVESTMENTS (Cont ...)

At 31 December 2023 and 31 December 2022 the charity had a 100% holding of the ordinary share capital in a subsidiary company, Quarr Abbey Enterprises Limited (Company Registration number 03609559), a company incorporated in England and Wales, with a registered office at Quarr Abbey, Quarr Road, Ryde, Isle of Wight, PO33 4ES. The trading company's objects are to operate the tea shop, farm shop and the Abbey shop.

The results of the subsidiary are included in the consolidated accounts. A summary of the trading company's results is presented below:

|  | 2023<br>£        | 2022<br>£        |
|--|------------------|------------------|
| Turnover and other income                              | 762,201          | 673,260          |
| Cost of sales and administrative expenses              | (734,060)        | (632,596)        |
| Interest payable                                       | <u>(23)</u>      | <u>(14)</u>      |
| Profit/(loss) for financial year                       | 28,118           | 40,650           |
| Retained earnings brought forward                      | 4,779            | 4,129            |
| Distributions to St Mary's Abbey, Quarr under Gift Aid | <u>(25,410)</u>  | <u>(40,000)</u>  |
| Retained earnings carried forward                      | 7,487<br>=====   | 4,779<br>=====   |
|  | 2023<br>£        | 2022<br>£        |
| Total assets   | 233,351          | 173,528          |
| Total liabilities                                      | <u>(225,862)</u> | <u>(168,747)</u> |
| Aggregate share capital and reserves                   | 7,489<br>=====   | 4,781<br>=====   |

19. STOCKS

|                  | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|------------------|--------------------|----------------------|--------------------|----------------------|
| Goods for resale | <u>27,399</u>      | <u>2,500</u>         | <u>28,498</u>      | <u>4,000</u>         |
|                  | 27,399<br>=====    | 2,500<br>=====       | 28,498<br>=====    | 4,000<br>=====       |

20. DEBTORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR

|                                    | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|------------------------------------|--------------------|----------------------|--------------------|----------------------|
| Trade debtors                      | 3,086              | 3,086                | 189                | 189                  |
| Amounts owed by group undertakings | -                  | 161,725              | -                  | 128,429              |
| Prepayments and accrued income     | 15,519             | 15,519               | 12,143             | 12,143               |
| Other debtors                      | <u>14,212</u>      | <u>14,212</u>        | <u>7,894</u>       | <u>7,894</u>         |
|                                    | 32,817<br>=====    | 194,542<br>=====     | 20,226<br>=====    | 148,655<br>=====     |

Amounts owed by group undertakings includes an unsecured loan to the charity's trading subsidiary, the loan is accounted for as a concessionary loan.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                              | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|------------------------------|--------------------|----------------------|--------------------|----------------------|
| Trade creditors              | 53,272             | 29,346               | 56,848             | 36,654               |
| Taxation and social security | 36,415             | 4,675                | 19,036             | 4,681                |
| Hire purchase                | 5,999              | 5,999                | 3,520              | 3,520                |
| Accruals                     | 49,234             | 42,562               | 58,625             | 55,523               |
| Other creditors              | <u>3,418</u>       | <u>1,619</u>         | <u>6,401</u>       | <u>3,732</u>         |
|                              | 148,338            | 84,201               | 144,430            | 104,110              |
|                              | =====              | =====                | =====              | =====                |

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

|               | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|---------------|--------------------|----------------------|--------------------|----------------------|
| Hire purchase | 17,917             | 17,917               | 16,640             | 16,640               |
|               | =====              | =====                | =====              | =====                |

23. RESTRICTED FUNDS

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

**Friends of Quarr fund** - Friends of Quarr fund represents monies raised by the Friends of Quarr, which will be applied to the projects which they specify.

**Window fund** - Window fund represents monies raised for the vestments for the members of the community.

**Interns project** - Donations towards the Abbey's intern scheme towards living costs.

**Abbey ruins project** - Grant towards further work on the preservation of the old Abbey ruins.

**Restoration Abbey roof and Windows** - Part grant funded works to renovate the Abbey.

**Infirmary roof** - Donation towards the further restoration.

**Choir books fund** - Choir books fund represents monies received for the production of choir books.

**Guest House fund** – donations towards the improvement of the Guest House.

| Group and Charity        | Balance at<br>1 January 2023<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Balance at 31<br>December<br>2023<br>£ |
|--------------------------|-----------------------------------|----------------------------|----------------------------|----------------|--|
| <b>Restricted funds:</b> |                                   |                            |                            |                |  |
| Friends of Quarr         | 8,474                             | 4,272                      | (1,749)                    | -              | 10,997                                 |
| Interns project          | -                                 | 1,000                      | (1,000)                    | -              | -                                      |
| Abbey ruins project      | 29,282                            | -                          | (14,194)                   | -              | 15,088                                 |
| Guest House              | -                                 | 878                        | -                          | -              | 878                                    |
| Choir books              | <u>2,530</u>                      | <u>-</u>                   | <u>-</u>                   | <u>-</u>       | <u>2,530</u>                           |
|                          | 40,286                            | 6,150                      | (16,943)                   | -              | 29,493                                 |
|                          | =====                             | =====                      | =====                      | =====          | =====                                  |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

23. RESTRICTED FUNDS (cont ...)

| Group and Charity                  | Balance at<br>1 January 2022 | Incoming<br>resources | Resources<br>expended | Gains/losses | Balance at 31<br>December<br>2022 |
|------------------------------------|------------------------------|-----------------------|-----------------------|--------------|-----------------------------------|
|                                    | £                            | £                     | £                     | £            | £                                 |
| <b>Restricted funds:</b>           |                              |                       |                       |              |                                   |
| Friends of Quarr                   | 11,811                       | 4,011                 | (7,348)               | -            | 8,474                             |
| Window fund                        | 1,566                        | 6,400                 | (7,966)               | -            | -                                 |
| Interns project                    | -                            | 1,050                 | (1,050)               | -            | -                                 |
| Abbey ruins project                | -                            | 30,000                | (718)                 | -            | 29,282                            |
| Restoration Abbey roof and windows | -                            | 211,208               | -                     | (211,208)    | -                                 |
| Infirmary roof                     | -                            | 51,158                | -                     | (51,158)     | -                                 |
| Choir books                        | 2,530                        | -                     | -                     | -            | 2,530                             |
|                                    | 15,907                       | 303,827               | (17,082)              | (262,366)    | 40,286                            |
|                                    | =====                        | =====                 | =====                 | =====        | =====                             |

The transfers in restricted funds on the restoration of the Abbey roof and windows, and Infirmary roof reflects the completion of the fund restriction, as those funds have been incurred on fixed asset additions to the charity.

24. UNRESTRICTED FUNDS

| Group               | Balance at<br>1 January 2023 | Net income<br>Less expenditure | Changes in<br>Valuation | Fund<br>Transfers | Balance at 31<br>December<br>2023 |
|---------------------|------------------------------|--------------------------------|-------------------------|-------------------|-----------------------------------|
|                     | £                            | £                              | £                       | £                 | £                                 |
| Current year        |                              |                                |                         |                   |                                   |
| Unrestricted funds  | 2,291,773                    | (10,063)                       | 2,703                   | -                 | 2,284,413                         |
| Revaluation reserve | 2,035,698                    | -                              | -                       | -                 | 2,035,698                         |
|                     | 4,327,471                    | (10,063)                       | 2,703                   | -                 | 4,320,111                         |
|                     | =====                        | =====                          | =====                   | =====             | =====                             |

The revaluation reserve represents the un-realised gains on the valuations of the Charity's rental investment properties.

| Group               | Balance at<br>1 January 2022 | Net income<br>Less expenditure | Changes in<br>Valuation | Fund<br>Transfers | Balance at 31<br>December<br>2022 |
|---------------------|------------------------------|--------------------------------|-------------------------|-------------------|-----------------------------------|
|                     | £                            | £                              | £                       | £                 | £                                 |
| Prior year          |                              |                                |                         |                   |                                   |
| Unrestricted funds  | 2,054,405                    | 55,212                         | (80,210)                | 262,366           | 2,291,773                         |
| Revaluation reserve | 1,894,763                    | -                              | 140,935                 | -                 | 2,035,698                         |
|                     | 3,949,168                    | 55,212                         | 60,725                  | 262,366           | 4,327,471                         |
|                     | =====                        | =====                          | =====                   | =====             | =====                             |

The transfers from restricted funds in the prior year were in respect of fund expenditure incurred on fixed asset additions.

| Charity             | Balance at<br>1 January 2023 | Net income<br>Less expenditure | Changes in<br>Valuation | Fund<br>Transfers | Balance at 31<br>December<br>2023 |
|---------------------|------------------------------|--------------------------------|-------------------------|-------------------|-----------------------------------|
|                     | £                            | £                              | £                       | £                 | £                                 |
| Current year        |                              |                                |                         |                   |                                   |
| Unrestricted funds  | 2,286,994                    | (12,771)                       | 2,703                   | -                 | 2,276,926                         |
| Revaluation reserve | 2,035,698                    | -                              | -                       | -                 | 2,035,698                         |
|                     | 4,322,692                    | (12,771)                       | 2,703                   | -                 | 4,312,624                         |
|                     | =====                        | =====                          | =====                   | =====             | =====                             |

The transfers from restricted funds are in respect of fund expenditure incurred on fixed asset additions in the year.

| Charity             | Balance at<br>1 January 2022 | Net income<br>Less expenditure | Changes in<br>Valuation | Fund<br>Transfers | Balance at 31<br>December<br>2022 |
|---------------------|------------------------------|--------------------------------|-------------------------|-------------------|-----------------------------------|
|                     | £                            | £                              | £                       | £                 | £                                 |
| Prior year          |                              |                                |                         |                   |                                   |
| Unrestricted funds  | 2,050,279                    | 54,559                         | (80,210)                | 262,366           | 2,286,994                         |
| Revaluation reserve | 1,894,763                    | -                              | 140,935                 | -                 | 2,035,698                         |
|                     | 3,945,042                    | 54,559                         | 60,725                  | 262,366           | 4,322,692                         |
|                     | =====                        | =====                          | =====                   | =====             | =====                             |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023

25. FINANCIAL INSTRUMENTS

|  | Group              |                    | Charity            |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 2023<br>£          | 2022<br>£          | 2023<br>£          | 2022<br>£          |
| Financial assets at amortised cost                                   | 402,666            | 392,192            | 452,911            | 479,086            |
| Instruments measured at fair value<br>through income and expenditure | 809,658            | 817,375            | 809,658            | 817,375            |
| Financial liabilities at amortised cost                              | (166,254)          | (161,070)          | (101,819)          | (120,750)          |
| Net financial assets   | 1,046,070<br>===== | 1,048,497<br>===== | 1,160,750<br>===== | 1,175,711<br>===== |

26. RELATED PARTY DISCLOSURES

As disclosed in Note 18, the charity has a wholly owned trading subsidiary company, Quarr Abbey Enterprises Limited.

During the year, Quarr Abbey Enterprises Limited made distributions of £25,410 (2022 - £40,000) to St Mary's Abbey, Quarr, Charitable Trust. At 31 December 2023 Quarr Abbey Enterprises Limited owed an amount of £161,725 (2022 - £128,429) to St Mary's Abbey, Quarr.

The Charitable Trust includes payments for the living expenses of the Benedictine Monks including those who are Trustees, and in return those individuals covenant their pension income to the charity (see note 3). The estimate of catering costs for Trustees is £13,994 (2022 - £9,986)

27. CAPITAL COMMITMENTS

At the year end, the charity had capital commitments of £Nil (2022 - £15,190) in respect of capital projects. The prior year was in respect of catering equipment for improvements to the monastery kitchen.

28. ULTIMATE CONTROLLING PARTY

The charity was under the control of the trustees throughout the year.

**ST MARY'S ABBEY, QUARR**

England & Wales - Charity number 1165957

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# Accounts

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REGISTERED COMPANY NUMBER 09806062 (ENGLAND AND WALES)  
REGISTERED CHARITY NUMBER: 1165957



REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
ST MARY'S ABBEY, QUARR



Rothmans LLP  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

**ST MARY'S ABBEY, QUARR**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**ST MARY'S ABBEY, QUARR**  
**FORWARD**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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It is the privilege of old institutions, like our monastic community which looks back to nearly nine centuries of monastic identity on the site of Quarr, to approach times of crisis with some hindsight, and hopefully some wisdom. The way the Coronavirus crisis affected our local circumstances can therefore be gauged in a nuanced way.

On the one hand, the two lock-downs of 2020, by enforcing the closure of most of our commercial activities and even for a while of our church, have contributed to create on the whole site a quality of silence and retreat which are core monastic values. At the same time, the primordial mission of the monastic community, which is to offer an uninterrupted tribute of praise to God and a constant intercession for the world, has been forcefully affirmed. The monastic art of living within an enclosure with limited human contacts has been a source of inspiration for many. Two of us contributed to a website ([www.alonetogether.org.uk](http://www.alonetogether.org.uk)) where monastic experience was shared with a wider public. There has also been signs of interest in the monastic way of life and we could host two internship programmes, one of the interns expressing the desire to join us in the near future. Our grounds have continued to be much visited, as soon as the regulations made it possible, which is a sign of the need of many around us for peace, security and spiritual support.

On the other hand, however, we could not help being struck by the negative impact of the pandemic on our society at large and on the members of our staff and their families, as well as on the wider circle of our Friends and Oblates. Moreover, the financial consequences of this crisis could have been potentially devastating, if it had not been for the help of the government through the Furlough plan and the grants of the local Council.

Concerts, retreat days, tours, meeting of the Friends of Quarr, reunion of our Oblates had all to be cancelled. We had to close the guest-house – where we usually host around 600 guests per year for a stay of between one day to a fortnight. The greatest celebrations of the liturgical year had to be done behind closed doors – probably for the first time since penal times.

On the whole, nevertheless, we are grateful that our Charity has managed to weather the storm reasonably well, which is also due to the support of faithful donors and the generous commitment of the members of our staff. It remains that the economic impact of Coronavirus on our tourism orientated economy could be fatal if prolonged. This has led us to reflect seriously on a diversification of our income sources. We have been working on a new website with better interactivity and also offering such facilities as online shopping and online donations. Contactless donations have been introduced on site. We have improved our presence and following on social media. Other options are still being considered.

Whilst the big works of maintenance of our buildings had to be put on halt, the Friends of Quarr managed to deliver the project of resurfacing the paths leading from the Abbey Church to the Visitors Centre. These now offer a much easier access to visitors with walking difficulties. The completion ceremony took place in the presence of the Lord Lieutenant of the Isle of Wight, although obviously with very limited attendance.

As the pandemic continues to bring challenges and fears to our activities and to the society at large, the Trustees are committed to a close examination of all the ways the Abbey can continue its core spiritual mission, make a contribution to the local community, and welcome safely a great number of visitors. At the same time as they try to keep a tight management of their commercial activities, they are working hard at building the necessary network for the serious fund-raising which is needed for the upkeep and maintenance of the two abbeys – the medieval ruins, and the Georgian and early 20th century buildings.

It remains our hope – and a challenge which we embrace with joy – that the Abbey will be able to make the most of the present difficult times in order to reinforce its core spiritual identity and the manifold service it renders to each of its visitors, guests and friends, as well as to the wider community.

Fr Xavier, Quarr Abbey

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objects, aims and intended impact**

The principal objects of St Mary's Abbey, Quarr ("The Abbey") are the maintenance of worship in the Abbey Church and of the resident Benedictine Community; and the promotion of the Catholic faith for the benefit of the public through carrying out spiritual duties in the community including the giving of retreats.

The Abbey generates its main commercial income through the successful operation of an Art gallery, Tea Shop, Farm Shop, Monastery Shop and Bookbindery; all of which are popular with the local Island population as well as tourists and provide a steady income for the Abbey.

The central aim of the Abbey's commercial and financial plans is to achieve the long term sustainability of the Abbey and its operations where, each year, expenditure is balanced with income.

During the year, the Abbey received further restricted and unrestricted donations and these were used towards meeting the cost of specific projects and the running costs of the Abbey. The Abbey also received income from the production and licensing of Quarr Abbey products.

##### **Objectives for the year**

The following core objectives will continue to be the prime focus for the management team during the year:

- Updating and reviewing the medium term financial framework for the Abbey.
- Identifying additional financial opportunities and savings to support the financial sustainability of the Abbey.
- Raising new funds, through planned programme of fund raising targeting specific and urgent projects, for the maintenance and refurbishment of the Church and its buildings.
- Monitoring the on-going expenditure on various projects, to ensure that expenditure stays within budget and the approved purposes are met.
- Examining further measures and marketing strategy to ensure The Abbey's commercial activities produce a profit and building the business in the quieter months.

##### **Strategy for achieving objectives**

To enable The Abbey to maintain the momentum of progress made in recent years the following strategies are considered key:

- Maintaining a strong management team through successful recruitment of the right candidates and a comprehensive succession plan including monks, professional employees, and external advisors.
- Supporting the fund raising activities established by the "Friends of Quarr".
- Maintaining a marketing plan for the Book Bindery.
- Continue with a vibrant marketing plan targeted to key audiences with a focus on digital and social marketing campaigns and selected print marketing in the Island Visitor magazine and direct marketing to island residents through regional and Island focussed publications to support business enterprises and visitors to the Abbey grounds.
- Regular management review of financial and commercial performance.

##### **Significant activities contributing to achievement of objectives**

Significant activities that will further contribute to the financial growth at The Abbey include the following:

- Examine measures and financial viability for the relocation of the farm shop to a permanent location as a standalone business from the tea shop

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**OBJECTIVES AND ACTIVITIES (Continued...)**

**Significant activities contributing to achievement of objectives (Continued...)**

- Examine measures to increase covers outside for the tea shop in shoulder and winter seasons.
- Review of opening hours and menu offer during the shoulder season for the tea shop.
- The training and development of the Management Team in effective budget management and commercial performance.
- Increase in the use of social media to meet new audiences who are interested in Quarr Abbey and gaining an audience that we can communicate with on a regular basis.
- Development of schemes to produce increased quantities of Abbey grown produce that are to be incorporated in Quarr Abbey branded products such as beer, cider, apple juice, confectionery, jams, chutneys, stationary and branded product.
- Continue to update the Website, to include relevant articles on the Abbey and its produce; together with the wider site which will serve to provide interest and information to the wider community.

**Public benefit**

The trustees confirm that they have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. This includes the additional guidance for charities on the advancement of religion, in deciding what activities the charity should undertake, in line with its aims and objectives.

The Abbey promotes public benefit through the provision of a place of worship and a guesthouse which is used for the purpose of religious retreats. They are open to members of the public who wish to explore and seek time to reflect. To facilitate this, the community carry out spiritual duties and undertake the preservation of the historic Abbey buildings and ruins. Monks also conduct retreats elsewhere to other communities and groups. A Theological Conference Series takes place annually given by noted experts in the fields of Theology and Philosophy. A two-month Intern Program is in place for young men (aged between 18 and 25). The Friends of Quarr also organise regular day- retreats each year. Organ Recitals take place annually with the performance of religious music by noted organists.

While the Tea Shop serves to support the Abbey commercially it is also a vital part of providing hospitality to visitors with careful consideration given to its operation to reflect the tradition of hospitality within the Rule of St. Benedict. The grounds and the tea garden are used by many local and island visitors as a place of calm and wellbeing.

**ACHIEVEMENT AND PERFORMANCE**

**Review of Developments**

The community of Quarr Abbey seeks to remain faithful to its ideals according to the way of life laid down in its Rules and Constitution.

The community of monks and the monastery play an important role in the spiritual, social and educational life of the Isle of Wight. Many visitors from all over the world visit the monastery, recognising it as a place of prayer, peace and tranquillity.

In 2020, the community of monks at Quarr supported their spiritual aims by improving the Abbey's long-term financial and commercial performance through the following:

- A coffee table book of photos of the Abbey is being produced by the community.
- Various intellectual pursuits are being carried out by the community including writing and translating books and articles. Two of the monks have published books this year.
- New choir books are being produced to enhance the celebration of our liturgies.
- The priests of the community were able assist St Cecilia's Abbey with the celebration of masses during the lockdowns.
- The Guesthouse was able to be open for part of the time with very restricted numbers due to the pandemic.
- The launch of a new donations board for fundraising including a contactless donation point.
- The launch of a new website to reach a wider audience both spiritually and those wishing to visit the Abbey.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**ACHIEVEMENT AND PERFORMANCE**

**Review of Developments (Continued...)**

- The refurbishment of St. Radigans property was completed.
- The internal refurbishment of Marymead House was completed by our in house team and rented to new tenants.
- A new Quarr Abbey brand was launched. This will ensure a consistent approach across all print, signage and media and continue to build brand identity for marketing and fundraising purposes.
- Completed a new layout of the Tea shop to allow a bigger counter space and working area for the staff and introduction of new elements to the menu.
- Launched Quarr Abbey gift vouchers for use in the Tea Shop, Farm shop and Monastery shop.
- Resourced new packaging materials for use in the Tea Shop and Farm Shop as part of the work to lessen our environmental impact.
- The Friends of Quarr Pathways Project to improve disabled access to the church and courtyards was successfully completed and opened by the Lord Lieutenant.
- Despite the lockdowns and restrictions around the Covid-19 virus, the businesses were able to open at least for parts of the year with all the relevant health and safety procedures in place.
- An outdoor Harvest Festival Service was successfully organised. Also an outdoor Carol Service was organised.
- The Isle of Wight Beekeepers continued with the management of the Abbey's hives and teaching Apiary.
- Historic England grant monies enabled us to undertake a hydrological survey in the Ruins area to better ascertain the flow of water from further upstream and how this may affect the ruins and their foundations. This knowledge will assist in our applications for future grant funding. Archaeological work is planned for next year from monies of the same grant.
- The Labourer position was re-advertised and we recruited a new team member to help across the Gardens and Works Departments.
- Through negotiation, prices were fixed for roofing materials to carry out future planned projects that were planned for 2020 but had been postponed due to Covid-19.

**Grants and donations**

The trustees wish to express their gratitude to the individuals and organisations who have made donations and grants to the Abbey during the year. In particular, the trustees acknowledge the following:

- Furlough for Quarr Abbey received £33,271
- Furlough for Quarr Abbey enterprises received £32,303
- Covid support grants from Isle of Wight Council £18,216
- Fondation des Monasteres, France £4,077
- Friends of Quarr £18,618

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**FINANCIAL REVIEW AND RESERVES POLICY**

During the year The Abbey received income of £597,360. The main source of income continued to be the Abbey's commercial operation generating income of £303,390; £286,241 of which represents sales in the Tea Shop, Farm Shop and Abbey Shop operated by the charity's subsidiary Quarr Abbey Enterprises Limited. The Abbey received donations, legacies and grants totalling £190,835, in addition to this £20,843 in donations were received from guests staying in the Abbey's guesthouse.

Expenditure for the year totalled £853,145. Of this £485,513 related to the general upkeep of the Abbey and its Community and £335,960 to the costs of the commercial operations.

After taking into account the loss on the revaluation of the Abbey's investment portfolio the charity had net expenditure for the year of £321,934.

The Abbey's funds totalling £1,691,182 are divided between unrestricted and restricted funds and are mainly comprised of tangible fixed assets and its investment portfolio.

At 31 December 2020 the investment portfolio was valued at £929,951 and the book value of tangible fixed assets was £609,292.

**Reserves policy**

It is the trustees' policy to retain reserves to ensure that the charity's day to day commitments for the ongoing costs of the upkeep of the Abbey and its community can be met.

As the charity is dependent on income from donations, legacies and investment income, the timing and amount of which is variable in nature, the trustees consider that reserves should be sufficient to cover 9 to 12 months of these costs. In addition, reserves are held to cover the significant costs of ongoing maintenance and refurbishment programmes which continue to be required on the Abbey and its buildings. In reviewing the level of reserves the trustees are mindful of the requirements of the Congregation of Solesmes.

The charity's reserves consist of its unrestricted funds, which are not comprised of fixed assets, designated funds or funds that are otherwise committed. The general unrestricted funds at 31 December 2020 totalled £1,411,590 of which £887,360 represents reserves.

**Investment performance**

The charity has a portfolio of investments, which is comprised of listed investments with a market value as at 31 December 2020 of £782,731, other unlisted investments of £116,006 and cash held for reinvestment of £31,214.

During the year the portfolio generated £25,501 of investment income, realised losses on disposals of £1,060 and a revaluation loss of £66,149.

The portfolio is managed by Charles Stanley & Company Limited, who operate within specific guidelines that are set and regularly reviewed by the trustees. The strategy is to maximise total returns, within acceptable levels of risks. Investment management charges amounted to £3,676.

The trustees expect that performance demanded by their investment policy will be achieved in the medium to long term.

**Trading subsidiary**

The charity has a wholly owned trading subsidiary, Quarr Abbey Enterprises Limited.

The trading company operates the tea shop, farm shop and Abbey shop and the funds that it generates to assist the charity in meeting its objectives.

Due to the impact of the pandemic and associated restrictions Quarr Abbey Enterprises Limited made a small loss for the year and was therefore unable to donate any profit to the charity in 2020.

**Environmental Policy**

The trustees believe that all businesses are responsible for achieving good environmental practice and operating in a sustainable manner. The board is therefore committed to reducing its environmental impact and continually improving its environmental performance as an integral and fundamental part of its business strategy and operating methods.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**PLANS FOR FUTURE PERIODS**

The trustees, as advised by the Finance Committee and the Abbey's management team, are continuing with a planning and costing exercise to inform them of the impact of making adjustments to the interior of the shop. Due to the increasing popularity of these facilities, the trustees wish to ensure that it has the capacity to cater for the increased number of visitors to the Quarr Estate. The following are planned to be undertaken within the next twelve months:

- Further consolidation work on the Ancient Abbey Ruins with a grant application to the World Monument Fund to support this. Introduce a 'contactless' method to facilitate further visitor donations.
- Begin again our annual Theological Conferences and bi-annual Chant Forum which were suspended this year on account of the pandemic.
- Implement an ongoing costed, budgeted, and phased maintenance plan for all Abbey buildings.
- Implement a schedule of projects for Abbey Buildings and Grounds.
- Identify, agree and complete repair works to two of our rental properties.
- Budget and plan for the implementation of measures from the ongoing review of current health and safety and fire and including the launch of the updated Health and Safety Policy for Staff and Volunteers.
- Full review and roll out of Employee Handbook.
- Complete a salary bench marking exercise for QA employees and QE management Team.
- The Quarr Abbey Volunteer Programme is now in a good position to welcome new volunteers. It is hoped that we will be able to attend events and to enable us to highlight Quarr Abbey and attract new volunteers to the Abbey. The newly designed website will also be to support these aims
- Relaunch of the explorer kit.
- Launch of a new family trail – focusing on the spiritual life of the Abbey.
- Introduce an outreach programme to schools giving work experience opportunities at the Abbey.
- Ongoing review of existing business models and make recommendations.
- Complete refurbishment of Old Abbey Farm Cottage and launch as a holiday cottage in 2022.
- Assess the feasibility for in-house production of Mead.
- Further development of Quarr abbey branded product to enhance the product offer both in the onsite shops and online.
- Continue to develop our social media presence on Instagram and Twitter and our Facebook page to 5,000 followers.
- Launch of a small online shop offer promoting the farm shop and QA product ranges.
- Increase number of covers for the teashop with additional seating, summer house, and additional dining space.
- Research to take place to gather quotes for two/three new Bio Digester waste treatment plants to be installed in the grounds of Quarr to treat waste replacing the old systems that are now obsolete.
- Enquiries to be made with the Fire Brigade as to the best way forward to put in place sources of water to assist in extinguishing a potential fire at the rear of the monastery. It is planned that these water plants could be connected.

**COVID Pandemic**

Since the year end the charity has been impacted by the COVID pandemic, further details are given in note 25 to these financial statements.

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

St Mary's Abbey, Quarr, Incorporated Charity was incorporated in England and Wales on 2 October 2015 by articles of association and is constituted by guarantee. It was subsequently registered with the Charity Commission on 9 March 2016.

Responsibility for decision making rests with the trustees; all of whom are senior members of the Benedictine Community. The trustees holding office during the period and at the date of this report are included within the reference and administrative details section of this report.

The trustees are supported in their decision making by the finance committee consisting of members of the community, professional employees and external advisors.

The Charity's governing document precludes the trustees from receiving any remuneration.

**Induction and training of new trustees**

New trustees are provided with a copy of the memorandum and articles of association and informed of their obligations under company and charity law. All trustees are encouraged to attend appropriate external courses which may assist them to carry out their role.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

09806062 (England and Wales)

**Registered Charity number**

1165957

**Principal address**

Quarr Abbey  
Ryde  
Isle of Wight  
PO33 4ES

**Abbot and Head Trustee**

Rt. R Dom Xavier Perrin

**Trustees**

R Dom Nicholas Spencer  
R Dom Gregory Corcoran

**Procurator**

R Dom Brian Kelly

**Secretary**

R Dom Brian Kelly

**Independent examiner**

Rothmans LLP  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

**Bankers**

Lloyds Bank plc  
35 Union Street  
Ryde  
Isle of Wight  
PO33 2LH

**Investment managers**

Charles Stanley & Company Limited  
55 Bishopsgate  
London  
EC2N 3AS

**ST MARY'S ABBEY, QUARR**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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 order of the board of trustees on 27 October 2021 and signed on its behalf by:

Rt Rev Dom Xavier Perrin  
Abbot and Head Trustee

**INDEPENDENT EXAMINER'S REPORT  
TO THE MEMBERS OF ST MARY'S ABBEY, QUARR  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Independent examiner's report to the trustees of St Mary's Abbey, Quarr ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Robin Lloyd FCA  
for and on behalf of Rothmans LLP  
Chartered Accountants  
Fryern House  
125 Winchester Road  
Chandlers Ford  
Hampshire  
SO53 2DR

29 October 2021

**ST MARY'S ABBEY, QUARR**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|                                    | Notes | Unrestricted<br>fund<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|------------------------------------|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                           |                          |                             |                             |
| Donations and legacies             | 3     | 183,945                   | 6,890                    | 190,835                     | 185,228                     |
| Charitable activities              | 4     | 20,843                    | -                        | 20,843                      | 63,051                      |
| Other trading activities           | 5     | 303,390                   | -                        | 303,390                     | 529,406                     |
| Investment income                  | 6     | 74,969                    | -                        | 74,969                      | 84,819                      |
| Other                              | 7     | <u>7,323</u>              | <u>-</u>                 | <u>7,323</u>                | <u>20,621</u>               |
| <b>Total Income</b>                |       | <u>590,470</u>            | <u>6,890</u>             | <u>597,360</u>              | <u>883,125</u>              |
| <b>EXPENDITURE ON</b>              |       |                           |                          |                             |                             |
| Raising funds                      | 8     | 338,938                   | 698                      | 339,636                     | 472,552                     |
| Charitable activities              | 9     | <u>490,829</u>            | <u>22,680</u>            | <u>513,509</u>              | <u>468,271</u>              |
| <b>Total Expenditure</b>           |       | <u>829,767</u>            | <u>23,378</u>            | <u>853,145</u>              | <u>940,823</u>              |
| Net gains/(losses) on investments  |       | <u>(66,149)</u>           | <u>-</u>                 | <u>(66,149)</u>             | <u>66,655</u>               |
| <b>NET INCOME/(EXPENDITURE)</b>    | 11    | <u>(305,446)</u>          | <u>(16,488)</u>          | <u>(321,934)</u>            | <u>8,957</u>                |
| <b>NET MOVEMENT IN FUNDS</b>       |       | <u>(305,446)</u>          | <u>(16,488)</u>          | <u>(321,934)</u>            | <u>8,957</u>                |
| <b>RECONCILIATION OF FUNDS</b>     |       |                           |                          |                             |                             |
| <b>Total funds brought forward</b> |       | <u>1,717,036</u>          | <u>296,080</u>           | <u>2,013,116</u>            | <u>2,004,159</u>            |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <u><u>1,411,590</u></u>   | <u><u>279,592</u></u>    | <u><u>1,691,182</u></u>     | <u><u>2,013,116</u></u>     |

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

ST MARY'S ABBEY, QUARR  
CONSOLIDATED BALANCE SHEET  
AT 31 DECEMBER 2020

|  | Notes | Unrestricted fund<br>£ | Restricted funds<br>£ | 2020<br>Total funds<br>£ | 2019<br>Total funds<br>£ |
|--|-------|------------------------|-----------------------|--------------------------|--------------------------|
| <b>FIXED ASSETS</b>                          |       |                        |                       |                          |                          |
| Tangible assets                              | 16    | 456,465                | 152,827               | 609,292                  | 627,985                  |
| Investments                                  | 17    | <u>929,951</u>         | <u>-</u>              | <u>929,951</u>           | <u>1,100,567</u>         |
|  |       | 1,386,416              | 152,827               | 1,539,243                | 1,728,552                |
| <b>CURRENT ASSETS</b>                        |       |                        |                       |                          |                          |
| Stocks                                       | 18    | 11,832                 | -                     | 11,832                   | 15,603                   |
| Debtors                                      | 19    | 16,304                 | -                     | 16,304                   | 16,348                   |
| Cash at bank and in hand                     |       | <u>34,338</u>          | <u>126,765</u>        | <u>161,103</u>           | <u>288,233</u>           |
|  |       | 62,474                 | 126,765               | 189,239                  | 320,184                  |
| <b>CREDITORS</b>                             |       |                        |                       |                          |                          |
| Amounts falling due within one year          | 20    | (37,300)               | -                     | (37,300)                 | (35,620)                 |
|  |       | <u>25,174</u>          | <u>126,765</u>        | <u>151,939</u>           | <u>284,564</u>           |
| <b>NET CURRENT ASSETS</b>                    |       |                        |                       |                          |                          |
|  |       | <u>1,411,590</u>       | <u>279,592</u>        | <u>1,691,182</u>         | <u>2,013,116</u>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                        |                       |                          |                          |
|  |       | <u>1,411,590</u>       | <u>279,592</u>        | <u>1,691,182</u>         | <u>2,013,116</u>         |
| <b>NET ASSETS</b>                            |       |                        |                       |                          |                          |
|  |       | <u>1,411,590</u>       | <u>279,592</u>        | <u>1,691,182</u>         | <u>2,013,116</u>         |
| <b>FUNDS</b>                                 |       |                        |                       |                          |                          |
|  | 22    |                        |                       |                          |                          |
| Unrestricted funds                           |       |                        |                       | 1,411,590                | 1,717,036                |
| Restricted funds                             |       |                        |                       | <u>279,592</u>           | <u>296,080</u>           |
| <b>TOTAL FUNDS</b>                           |       |                        |                       |                          |                          |
|  |       |                        |                       | <u>1,691,182</u>         | <u>2,013,116</u>         |

The charitable company and group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company and the group to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the group keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company and group as at the end of each financial year and of the group's surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company and group.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 27 October 2021 and were signed on its behalf by:

Fr Xavier Perrin  
Head Trustee and Abbot

ST MARY'S ABBEY, QUARR

BALANCE SHEET  
AT 31 DECEMBER 2020

|  | Notes | Unrestricted fund<br>£ | Restricted funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|--|-------|------------------------|-----------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                          |       |                        |                       |                             |                             |
| Tangible assets                              | 16    | 356,081                | 124,552               | 480,633                     | 499,377                     |
| Investments                                  | 17    | <u>929,953</u>         | <u>-</u>              | <u>929,953</u>              | <u>1,100,569</u>            |
|  |       | 1,286,034              | 124,552               | 1,410,586                   | 1,599,946                   |
| <b>CURRENT ASSETS</b>                        |       |                        |                       |                             |                             |
| Stocks                                       | 18    | 5,700                  | -                     | 5,700                       | 6,250                       |
| Debtors                                      | 19    | 141,008                | -                     | 141,008                     | 132,892                     |
| Cash at bank and in hand                     |       | <u>6,977</u>           | <u>126,765</u>        | <u>133,742</u>              | <u>274,437</u>              |
|  |       | 153,685                | 126,765               | 280,450                     | 413,579                     |
| <b>CREDITORS</b>                             |       |                        |                       |                             |                             |
| Amounts falling due within one year          | 20    | <u>(17,081)</u>        | <u>-</u>              | <u>(17,081)</u>             | <u>(18,573)</u>             |
| <b>NET CURRENT ASSETS</b>                    |       |                        |                       |                             |                             |
|  |       | <u>136,604</u>         | <u>126,765</u>        | <u>263,369</u>              | <u>395,006</u>              |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                        |                       |                             |                             |
|  |       | <u>1,422,638</u>       | <u>251,317</u>        | <u>1,673,955</u>            | <u>1,994,952</u>            |
| <b>NET ASSETS</b>                            |       |                        |                       |                             |                             |
|  |       | <u>1,422,638</u>       | <u>251,317</u>        | <u>1,673,955</u>            | <u>1,994,952</u>            |
| <b>FUNDS</b>                                 |       |                        |                       |                             |                             |
| Unrestricted funds                           | 22    |                        |                       | 1,422,638                   | 1,727,845                   |
| Restricted funds                             |       |                        |                       | <u>251,317</u>              | <u>267,107</u>              |
| <b>TOTAL FUNDS</b>                           |       |                        |                       |                             |                             |
|  |       |                        |                       | <u>1,673,955</u>            | <u>1,994,952</u>            |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 27 October 2021 and were signed on its behalf by:

Fr Xavier Perrin  
Head Trustee and Abbot

**ST MARY'S ABBEY, QUARR**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|   | Notes | 2020<br>£             | 2019<br>£             |
|---|-------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>                              |       |                       |                       |
| Cash generated from operations  | 1     | <u>(282,186)</u>      | <u>(70,467)</u>       |
| <b>Net cash provided by (used in) operating activities</b>                |       | <u>(282,186)</u>      | <u>(70,467)</u>       |
| <b>Cash flows from investing activities:</b>                              |       |                       |                       |
| Purchase of tangible fixed assets   |       | (23,807)              | (128,169)             |
| Sale of tangible fixed assets   |       | 4,032                 | -                     |
| Sale of investments   |       | 100,000               | -                     |
| Investment income received  |       | <u>74,831</u>         | <u>84,819</u>         |
| <b>Net cash provided by (used in) investing activities</b>                |       | <u>155,056</u>        | <u>(43,350)</u>       |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | (127,130)             | (113,817)             |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>288,233</u>        | <u>402,050</u>        |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u><u>161,103</u></u> | <u><u>288,233</u></u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

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

|   | 2020<br>£        | 2019<br>£       |
|---|------------------|-----------------|
| <b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b> | (321,934)        | 8,957           |
| <b>Adjustments for:</b>   |                  |                 |
| Depreciation charges  | 42,500           | 40,543          |
| Profit on disposal of fixed assets  | (4,032)          | -               |
| Change in market value of investments   | 66,149           | (66,655)        |
| Realised (gains)/losses on the disposal of investments  | 1,060            | (13,069)        |
| Investment managers fees  | 3,676            | 4,935           |
| Investment income   | (74,969)         | (84,819)        |
| Decrease/(Increase) in stock  | 3,771            | 799             |
| Decrease/(Increase) in debtors  | (184)            | 35,440          |
| Increase/(Decrease) in creditors  | 1,777            | 3,402           |
|   | <hr/>            | <hr/>           |
| <b>Net cash provided by (used in) operating activities</b>  | <u>(282,186)</u> | <u>(70,467)</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At<br>1/1/20<br>£ | Cash<br>flow<br>£ | At<br>31/12/20<br>£ |
|--------------------------|-------------------|-------------------|---------------------|
| <b>Net Cash</b>          |                   |                   |                     |
| Cash at bank and in hand | 288,233           | (127,130)         | 161,103             |
|                          | <hr/>             | <hr/>             | <hr/>               |
| <b>Total</b>             | <u>288,233</u>    | <u>(127,130)</u>  | <u>161,103</u>      |

## ST MARY'S ABBEY, QUARR

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. CHARITY INFORMATION

St Mary's Abbey, Quarr, an Incorporated Charity, was incorporated in England and Wales on 2 October 2015 by articles of association and is constituted by guarantee. The registered company number is 09806062.

The registered address of the charity is Quarr Abbey, Ryde, Isle of Wight, PO33 4ES.

Quarr Abbey is registered as a charity with Charity Commission under registration number 1165957.

The principal activity of Quarr Abbey is the upkeep of the Abbey and its Community.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The trustees consider that there are no material uncertainties about the charities ability to continue as a going concern.

The presentation currency used in the financial statements is £ sterling.

##### **Parent Charity disclosure exemptions**

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions:

- No Cash flow statement has been presented for the parent charity;
- Disclosures in respect of the parent charity's financial instruments have not been presented as equivalent disclosures are included in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent charity as their remuneration is included in the totals for the group as a whole

##### **Group financial Statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary Quarr Abbey Enterprises Limited on a line-by-line basis. Intercompany transactions and balances between the two entities have been eliminated in full.

A separate Statement of Financial Activities for the charity has not been presented in full, summary information is provided in note 15.

In accordance with the transitional exemptions available in FRS 102, the group has chosen not to retrospectively apply the standard to the business combinations that occurred before the date of transition.

##### **Fund accounting**

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

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

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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2. ACCOUNTING POLICIES - Continued

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

**Income**

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

Income is the amount derived from ordinary activities and stated after any discounts and is net of VAT.

a) Grants

Income from grants is recognised, using the performance model, when the charity has entitlement to the funds, any performance conditions attached to the grant have been satisfied, receipt of the income is probable and the amount can be measured reliably.

b) Donations

Income from donations is recognised on receipt. Except where the donation includes terms and conditions, in which case income is recognised once any performance conditions attached to the donation have been satisfied.

c) Legacies

Income from legacies is recognised when the charity is aware that there has been grant of probate, notification has been received from the executors that a distribution will be made and any conditions attached to the legacy have been satisfied. Where the charity has been notified of a legacy but there is uncertainty to the amount of the payment the legacy, is treated as a contingent asset.

d) Sale of goods and refreshments

Income from goods and refreshments sold through the trading subsidiary is recognised on the supply of good to the buyer and the income from the sale and cost of the goods sold can be measured reliably and income is probable.

e) Investment income

Income from funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity.

f) Covenanted pensions

Covenanted pensions are pensions receivable by members of the community which they pay to the charity under deed of covenant. Covenanted pensions are recognised when receivable and the amount can be measured reliably by the charity.

g) Guesthouse takings

Guesthouse takings are donations made by guest for using the guesthouse facilities. Income is recognised on receipt.

**Expenditure**

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

**Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include personnel, finance, administrative and governance costs which support the operation of the charity and its activities. These costs are allocated between the costs of charitable activities and raising funds. Further details of support costs are provided in note 10.

**Services provided by members of the community**

For the purposes of these accounts, no monetary value has been placed on the hospitality, administration and other services provided by the members of the community.

**Investments in subsidiaries**

Investments in subsidiaries are included at cost less impairment.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - Continued

**Other Investments**

Listed investments are included at their market value. Realised and unrealised gains and losses are recognised in the statement of financial activities in the year in which they arise.

Unlisted investments are included at cost less impairment.

**Tangible fixed assets**

All tangible fixed assets are initially recognised at cost. Individual tangible fixed assets costing £500 or more are capitalised and are depreciated over their estimated economic lives on a straight line basis. Lower amounts are expensed in the year of purchase

Depreciation is provided at the following annual rates:

|                         |     |
|-------------------------|-----|
| Freehold property       | 2%  |
| Motor vehicles          | 20% |
| Furniture and equipment | 20% |

**Stocks**

Stocks representing goods held for sale by the trading subsidiary are measured at the lower of cost and the estimated selling price less costs to sell.

**Creditors**

Creditors are recognised where the charity has a present obligation resulting from past events that will probably result in the transfer of funds to a third party and the amount to be settled can be measured or estimated reliably.

**Financial instruments**

The charity only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and debt instruments are subsequently measured at amortised cost.

**Loan to subsidiary company**

The Charity accounts for a loan to its subsidiary trading company as a concessionary loan. The loan is initially measured at the amount paid with the balance being adjusted each year for the interest which has accrued.

**Taxation**

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

**Judgements in applying accounting policies**

In preparing these financial statements the trustees have made the following judgements:

- Determining whether income is restricted or unrestricted. These decisions depend upon the whether the donor has given the income subject to certain terms or conditions which impose a restriction in trust law.
- Determining the allocation of support costs to activities. These decisions depend upon the whether the costs can be directly attributed to an activity or shared between specific activities. The balance of costs is apportioned between the activities.

**Key sources of estimation uncertainty**

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors. Factors affecting the lives of assets include technological innovation and maintenance programmes.

3. DONATIONS AND LEGACIES

|                     | 2020<br>Unrestricted<br>£ | 2020<br>Restricted<br>£ | 2020<br>Total<br>£ | 2019<br>£      |
|---------------------|---------------------------|-------------------------|--------------------|----------------|
| Donations           | 50,569                    | 6,890                   | 57,459             | 99,101         |
| Legacies            | -                         | -                       | -                  | 14,891         |
| Grants              | 102,582                   | -                       | 102,582            | 19,500         |
| Mass offerings      | 5,650                     | -                       | 5,650              | 27,403         |
| Covenanted pensions | 25,144                    | -                       | 25,144             | 24,333         |
|                     | <u>183,945</u>            | <u>6,890</u>            | <u>190,835</u>     | <u>185,228</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

3. DONATIONS AND LEGACIES – Continued

Grants received, included in the above, are as follows:

|                                     | 2019<br>Unrestricted<br>£ | 2019<br>Restricted<br>£ | 2020<br>Total<br>£ | 2019<br>£     |
|-------------------------------------|---------------------------|-------------------------|--------------------|---------------|
| Conservation of the Abbey ruins     | -                         | -                       | -                  | 19,500        |
| Isle of Wight Council - Nammet Room | 4,000                     | -                       | 4,000              | -             |
| Listed Places of Worship            | 6,792                     | -                       | 6,792              | -             |
| Job Retention Scheme grants         | 65,574                    | -                       | 65,574             | -             |
| Isle of Wight Council Covid support | 18,216                    | -                       | 18,216             | -             |
| Foundation of Grant Masses          | 8,000                     | -                       | 8,000              | -             |
|                                     | <u>102,582</u>            | <u>-</u>                | <u>102,582</u>     | <u>19,500</u> |

Included in donations is an amount of £2,890 (2019: £8,216) raised by the Friends of Quarr on behalf of the charity.

4. INCOME FROM CHARITABLE ACTIVITIES

|                    | 2020<br>£     | 2019<br>£     |
|--------------------|---------------|---------------|
| Guesthouse takings | <u>20,843</u> | <u>63,051</u> |
|                    | <u>20,843</u> | <u>63,051</u> |

5. OTHER TRADING ACTIVITIES

|                               | 2020<br>£      | 2019<br>£      |
|-------------------------------|----------------|----------------|
| Sales of Quarr Abbey products | 10,257         | 32,089         |
| Tea shop and farm shop        | 258,882        | 438,467        |
| Abbey shop                    | 27,359         | 44,937         |
| Art at Quarr                  | <u>6,892</u>   | <u>13,913</u>  |
|                               | <u>303,390</u> | <u>529,406</u> |

6. INVESTMENT INCOME

|                             | 2020<br>£     | 2019<br>£     |
|-----------------------------|---------------|---------------|
| Investment portfolio income | 25,501        | 33,281        |
| Rental income               | 47,727        | 48,133        |
| Interest receivable         | <u>1,741</u>  | <u>3,405</u>  |
|                             | <u>74,969</u> | <u>84,819</u> |

7. OTHER INCOME

|                                      | 2020<br>£      | 2019<br>£     |
|--------------------------------------|----------------|---------------|
| Miscellaneous income                 | 8,383          | 7,552         |
| (Loss)/profit on sale of investments | <u>(1,060)</u> | <u>13,069</u> |
|                                      | <u>7,323</u>   | <u>20,621</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

8. RAISING FUNDS

|   | 2020<br>Unrestricted<br>£ | 2020<br>Restricted<br>£ | 2020<br>Total<br>£ | 2019<br>£      |
|---|---------------------------|-------------------------|--------------------|----------------|
| <b>Raising funds</b>                          |                           |                         |                    |                |
| Investment management fees                    | 3,676                     | -                       | 3,676              | 4,935          |
| <b>Trading: Cost of sales and other costs</b> |                           |                         |                    |                |
| Cost of Quarr Abbey products                  | 7,111                     | -                       | 7,111              | 13,007         |
| Cost of sales                                 | 134,081                   | -                       | 134,081            | 197,317        |
| Repairs, maintenance and cleaning             | 14,995                    | -                       | 14,995             | 17,295         |
| Public relations and marketing                | 224                       | -                       | 224                | -              |
| Light & heat and other establishment expenses | 13,810                    | -                       | 13,810             | 13,547         |
| Bank charges                                  | 3,510                     | -                       | 3,510              | 3,979          |
| Support costs (note 10)                       | <u>161,531</u>            | <u>698</u>              | <u>162,229</u>     | <u>222,472</u> |
|   | <u>338,938</u>            | <u>698</u>              | <u>339,636</u>     | <u>472,552</u> |

9. CHARITABLE ACTIVITIES COSTS

|  | 2020<br>Unrestricted<br>£ | 2020<br>Restricted<br>£ | 2020<br>Total<br>£ | 2019<br>£      |
|--|---------------------------|-------------------------|--------------------|----------------|
| <b>General upkeep of the Abbey and its Community</b> |                           |                         |                    |                |
| Premises costs                                       | 84,166                    | -                       | 84,166             | 85,613         |
| Personal and living costs                            | 37,223                    | 1,728                   | 38,951             | 64,518         |
| Motor expenses                                       | 2,655                     | 141                     | 2,796              | 2,294          |
| Education costs                                      | 210                       | -                       | 210                | 2,084          |
| Miscellaneous costs                                  | 18,874                    | 571                     | 19,445             | 21,889         |
| Repairs  | 26,404                    | -                       | 26,404             | 1,029          |
| Support costs (note 10)                              | <u>310,919</u>            | <u>2,622</u>            | <u>313,541</u>     | <u>263,849</u> |
|  | <u>480,451</u>            | <u>5,062</u>            | <u>485,513</u>     | <u>441,276</u> |
| <b>Other Charitable activities</b>                   |                           |                         |                    |                |
| Funded by Friends of Quarr:                          |                           |                         |                    |                |
| Accessible Paths project                             | -                         | 17,618                  | 17,618             | -              |
| Other  | -                         | -                       | -                  | 634            |
| Conservation of the Abbey ruins                      | <u>4,846</u>              | <u>-</u>                | <u>4,846</u>       | <u>17,634</u>  |
|  | <u>4,846</u>              | <u>17,618</u>           | <u>22,464</u>      | <u>18,268</u>  |
| <b>Donations</b>                                     |                           |                         |                    |                |
| Donations  | 5,532                     | -                       | 5,532              | 8,727          |
|  | <u>5,532</u>              | <u>-</u>                | <u>5,532</u>       | <u>8,727</u>   |
| <b>Total Charitable Activities costs</b>             | <u>490,829</u>            | <u>22,680</u>           | <u>513,509</u>     | <u>468,271</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

10. SUPPORT COSTS

|                                      | 2020<br>Charitable<br>activities<br>£ | 2020<br>Raising<br>Funds<br>£ | 2020<br>Total<br>£ | 2019<br>£      |
|--------------------------------------|---------------------------------------|-------------------------------|--------------------|----------------|
| Staff costs and emoluments (note 13) | 243,257                               | 136,436                       | 379,693            | 371,457        |
| Staff welfare and training           | -                                     | 225                           | 225                | 1,657          |
| Depreciation – property              | 9,491                                 | 2,539                         | 12,030             | 9,491          |
| Depreciation – other                 | 22,390                                | 8,080                         | 30,470             | 31,052         |
| Profit on disposal of fixed assets   | (4,032)                               | -                             | (4,032)            | -              |
| Legal and professional expenses      | 18,263                                | 5,192                         | 23,455             | 42,636         |
| Public relations and marketing       | 19,207                                | -                             | 19,207             | 22,939         |
| Office and administrative costs      | 4,965                                 | 9,757                         | 14,722             | 7,089          |
|                                      | <u>313,541</u>                        | <u>162,229</u>                | <u>475,770</u>     | <u>486,321</u> |

The administrative costs of the trading subsidiary are allocated to fund raising support cost, all other support costs are allocated to charitable activities.

11. NET EXPENDITURE

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

|                                     | 2020<br>£     | 2019<br>£     |
|-------------------------------------|---------------|---------------|
| Independent examiner's remuneration | 2,500         | 2,500         |
| Depreciation - owned assets         | <u>42,500</u> | <u>40,543</u> |

12. TRUSTEES' REMUNERATION AND BENEFITS

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

**Trustees' expenses**

There were no trustees' expenses for the year ended 31 December 2020 nor for the year ended 31 December 2019.

13. STAFF COSTS

|                       | 2020<br>£      | 2019<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 354,314        | 350,139        |
| Social security costs | 19,802         | 17,217         |
| Pension costs         | <u>5,577</u>   | <u>4,101</u>   |
|                       | <u>379,693</u> | <u>371,457</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

13. STAFF COSTS – Continued

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

|  | 2020      | 2019      |
|--|-----------|-----------|
| General upkeep of the Abbey and its Community Administration | 9         | 9         |
| Administration   | 2         | 1         |
| Tea shop and farm shop                                       | <u>10</u> | <u>13</u> |
|  | <u>21</u> | <u>23</u> |

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

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                                    | Unrestricted<br>fund<br>£ | Restricted<br>funds<br>£ | Total funds<br>£ |
|------------------------------------|---------------------------|--------------------------|------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |                           |                          |                  |
| Donations and legacies             | 152,962                   | 32,266                   | 185,228          |
| <b>Charitable activities</b>       |                           |                          |                  |
| Charitable activities              | 63,051                    | -                        | 63,051           |
| Other trading activities           | 529,406                   | -                        | 529,406          |
| Investment income                  | 84,819                    | -                        | 84,819           |
| Other                              | <u>20,621</u>             | -                        | <u>20,621</u>    |
| <b>Total</b>                       | <u>850,859</u>            | <u>32,266</u>            | <u>883,125</u>   |
| <b>EXPENDITURE ON</b>              |                           |                          |                  |
| Raising funds                      | 471,854                   | 698                      | 472,552          |
| <b>Charitable activities</b>       |                           |                          |                  |
| Charitable activities              | <u>443,716</u>            | <u>24,555</u>            | <u>468,271</u>   |
| <b>Total</b>                       | <u>915,570</u>            | <u>25,253</u>            | <u>940,823</u>   |
| <b>Net gains on investments</b>    | <u>66,655</u>             | -                        | <u>66,655</u>    |
| <b>NET INCOME/(EXPENDITURE)</b>    | 1,944                     | 7,013                    | 8,957            |
| <b>Transfer between funds</b>      | -                         | -                        | -                |
| <b>NET MOVEMENT IN FUNDS</b>       | <u>1,944</u>              | <u>7,013</u>             | <u>8,957</u>     |
| <b>RECONCILIATION OF FUNDS</b>     |                           |                          |                  |
| <b>Total funds brought forward</b> | <u>1,715,092</u>          | <u>289,067</u>           | <u>2,004,159</u> |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <u>1,717,036</u>          | <u>296,080</u>           | <u>2,013,116</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

15. PARENT CHARITY RESULT FOR THE YEAR

The parent charity has taken the exemption under s408 CA2006 to not present its own separate Statement of Financial Activities. A summary of its financial result is presented below:

|                                   | 2020<br>£        | 2019<br>£        |
|-----------------------------------|------------------|------------------|
| Total Income                      | 270,508          | 431,689          |
| Total Expenditure                 | (525,356)        | (486,210)        |
| Net gains/(losses) on investments | <u>(66,149)</u>  | <u>66,655</u>    |
| Net movements in funds            | (320,997)        | 12,134           |
| Total funds brought forward       | 1,994,952        | 1,982,818        |
| Total funds carried forward       | <u>1,673,955</u> | <u>1,994,952</u> |

16. TANGIBLE FIXED ASSETS

| Group                  | Freehold<br>property<br>£ | Motor<br>vehicles<br>£ | Furniture and<br>equipment<br>£ | Totals<br>£      |
|------------------------|---------------------------|------------------------|---------------------------------|------------------|
| <b>COST</b>            |                           |                        |                                 |                  |
| At 1 January 2020      | 595,487                   | 17,036                 | 395,010                         | 1,007,533        |
| Additions              | 1,884                     | 5,250                  | 16,673                          | 23,807           |
| Disposals              | <u>-</u>                  | <u>(11,425)</u>        | <u>-</u>                        | <u>(11,425)</u>  |
| At 31 December 2020    | <u>597,371</u>            | <u>10,861</u>          | <u>411,683</u>                  | <u>1,019,915</u> |
| <b>DEPRECIATION</b>    |                           |                        |                                 |                  |
| At 1 January 2020      | 59,198                    | 15,352                 | 304,998                         | 379,548          |
| Charge for year        | 12,030                    | 1,297                  | 29,173                          | 42,500           |
| Eliminated on disposal | <u>-</u>                  | <u>(11,425)</u>        | <u>-</u>                        | <u>(11,425)</u>  |
| At 31 December 2020    | <u>71,228</u>             | <u>5,224</u>           | <u>334,171</u>                  | <u>410,623</u>   |
| <b>NET BOOK VALUE</b>  |                           |                        |                                 |                  |
| At 31 December 2020    | <u>526,143</u>            | <u>5,637</u>           | <u>77,512</u>                   | <u>609,292</u>   |
| At 31 December 2019    | <u>536,289</u>            | <u>1,684</u>           | <u>90,012</u>                   | <u>627,985</u>   |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

16. TANGIBLE FIXED ASSETS – Continued

| Charity                | Freehold<br>property<br>£ | Motor<br>vehicles<br>£ | Furniture and<br>equipment<br>£ | Totals<br>£    |
|------------------------|---------------------------|------------------------|---------------------------------|----------------|
| <b>COST</b>            |                           |                        |                                 |                |
| At 1 January 2020      | 474,686                   | 17,036                 | 294,031                         | 785,753        |
| Additions              | -                         | 5,250                  | 7,887                           | 13,137         |
| Disposals              | -                         | (11,425)               | -                               | (11,425)       |
| At 31 December 2020    | <u>474,686</u>            | <u>10,861</u>          | <u>301,918</u>                  | <u>787,465</u> |
| <b>DEPRECIATION</b>    |                           |                        |                                 |                |
| At 1 January 2020      | 40,707                    | 15,352                 | 230,317                         | 286,376        |
| Charge for year        | 9,491                     | 1,297                  | 21,093                          | 31,881         |
| Eliminated on disposal | -                         | (11,425)               | -                               | (11,425)       |
| At 31 December 2020    | <u>50,198</u>             | <u>5,224</u>           | <u>251,410</u>                  | <u>306,832</u> |
| <b>NET BOOK VALUE</b>  |                           |                        |                                 |                |
| At 31 December 2020    | <u>424,488</u>            | <u>5,637</u>           | <u>50,508</u>                   | <u>480,633</u> |
| At 31 December 2019    | <u>433,979</u>            | <u>1,684</u>           | <u>63,714</u>                   | <u>499,377</u> |

17. FIXED ASSET INVESTMENTS

Group

|                       | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Cash and<br>settlements<br>pending<br>£ | Totals<br>£      |
|-----------------------|----------------------------|------------------------------|---|------------------|
| <b>MARKET VALUE</b>   |                            |                              |   |                  |
| At 1 January 2020     | 855,737                    | 216,006                      | 28,824                                  | 1,100,567        |
| Additions             | 76,393                     | -                            | 108,609                                 | 185,002          |
| Disposals             | (83,250)                   | (100,000)                    | (106,219)                               | (289,469)        |
| Revaluations          | (66,149)                   | -                            | -                                       | (66,149)         |
| At 31 December 2020   | <u>782,731</u>             | <u>116,006</u>               | <u>31,214</u>                           | <u>929,951</u>   |
| <b>NET BOOK VALUE</b> |                            |                              |   |                  |
| At 31 December 2020   | <u>782,731</u>             | <u>116,006</u>               | <u>31,214</u>                           | <u>929,951</u>   |
| At 31 December 2019   | <u>855,737</u>             | <u>216,006</u>               | <u>28,824</u>                           | <u>1,100,567</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

17. FIXED ASSET INVESTMENTS – Continued

| Charity               | Shares in<br>group<br>undertakings<br>£ | Listed<br>investments<br>£ | Unlisted<br>investments<br>£ | Cash and<br>settlements<br>pending<br>£ | Totals<br>£      |
|-----------------------|---|----------------------------|------------------------------|---|------------------|
| <b>MARKET VALUE</b>   |   |                            |                              |   |                  |
| At 1 January 2020     | 2                                       | 855,737                    | 216,006                      | 28,824                                  | 1,100,569        |
| Additions             | -                                       | 76,393                     | -                            | 108,609                                 | 185,002          |
| Disposals             | -                                       | (83,250)                   | (100,000)                    | (106,219)                               | (289,469)        |
| Revaluations          | -                                       | (66,149)                   | -                            | -                                       | (66,149)         |
| At 31 December 2020   | <u>2</u>                                | <u>782,731</u>             | <u>116,006</u>               | <u>31,214</u>                           | <u>929,953</u>   |
| <b>NET BOOK VALUE</b> |   |                            |                              |   |                  |
| At 31 December 2020   | <u>2</u>                                | <u>782,731</u>             | <u>116,006</u>               | <u>31,214</u>                           | <u>929,953</u>   |
| At 31 December 2019   | <u>2</u>                                | <u>855,737</u>             | <u>216,006</u>               | <u>28,824</u>                           | <u>1,100,569</u> |

At 31 December 2020 and 31 December 2019 the charity had a 100% holding of the ordinary share capital in a subsidiary company, Quarr Abbey Enterprises Limited (Company registration number 03609559), a company incorporated in England and Wales. The trading company's objects are to operate the tea shop, farm shop and the Abbey shop.

The results of the subsidiary are included in the consolidated accounts.

A summary of the trading company's results is presented below:

|   |               |               |
|---|---------------|---------------|
|   | 2020<br>£     | 2019<br>£     |
| Turnover and other income                 | 328,544       | 483,404       |
| Cost of sales and administrative expenses | (328,849)     | (454,610)     |
| Interest payable                          | (632)         | (435)         |
| Net (loss)/profit                         | <u>(937)</u>  | <u>28,359</u> |
| Gift aid donations to Quarr Abbey         | <u>-</u>      | <u>31,534</u> |
|   | 2020<br>£     | 2019<br>£     |
| Total assets                              | 164,395       | 154,256       |
| Total liabilities                         | (147,166)     | (136,090)     |
| Aggregate share capital and reserves      | <u>17,229</u> | <u>18,166</u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

18. STOCKS

|                  | Group<br>2020<br>£   | Charity<br>2020<br>£ | Group<br>2019<br>£   | Charity<br>2019<br>£ |
|------------------|----------------------|----------------------|----------------------|----------------------|
| Goods for resale | <u>11,832</u>        | <u>5,700</u>         | <u>15,603</u>        | <u>6,250</u>         |
|                  | <u><u>11,832</u></u> | <u><u>5,700</u></u>  | <u><u>15,603</u></u> | <u><u>6,250</u></u>  |

During the year £141,192 (2019: £210,324) of stock was recognised as an expense.

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | Group<br>2020<br>£   | Charity<br>2020<br>£  | Group<br>2019<br>£   | Charity<br>2019<br>£  |
|------------------------------------|----------------------|-----------------------|----------------------|-----------------------|
| Trade debtors                      | 87                   | 87                    | -                    | -                     |
| Amounts owed by group undertakings | -                    | 126,947               | -                    | 119,043               |
| Prepayments and accrued income     | 14,197               | 11,954                | 14,226               | 11,727                |
| Other debtors                      | <u>2,020</u>         | <u>2,020</u>          | <u>2,122</u>         | <u>2,122</u>          |
|                                    | <u><u>16,304</u></u> | <u><u>141,008</u></u> | <u><u>16,348</u></u> | <u><u>132,892</u></u> |

Amounts owed by group undertakings includes an unsecured loan to the charity's trading subsidiary, the loan is accounted for as a concessionary loan. The unsecured loan is over a 10-year term and is due to be fully repaid by 31 December 2025. The loan accrues interest at the Bank of England base rate, currently 0.5%.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                              | Group<br>2020<br>£   | Charity<br>2020<br>£ | Group<br>2019<br>£   | Charity<br>2019<br>£ |
|------------------------------|----------------------|----------------------|----------------------|----------------------|
| Trade creditors              | 20,389               | 9,196                | 19,715               | 13,575               |
| Taxation and social security | 5,582                | -                    | 8,407                | -                    |
| Accruals                     | 10,975               | 7,875                | 7,498                | 4,998                |
| Other creditors              | <u>354</u>           | <u>10</u>            | <u>-</u>             | <u>-</u>             |
|                              | <u><u>37,300</u></u> | <u><u>17,081</u></u> | <u><u>35,620</u></u> | <u><u>18,573</u></u> |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

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21. FUNDS

Unrestricted funds are used at the discretion of the trustees for any of the charity's purposes, this is mainly for the upkeep of the Abbey and its Community.

Unrestricted funds include designated funds which have been set aside by the trustees for a specific purpose.

**Property fund (designated fund)**

The property fund represents the net book value of the Abbey buildings. This fund has been established in recognition of the fact that the Abbey is central to the objectives of the charity and the buildings do not represent reserves available to finance the charity's operations.

**Library fund (designated fund)**

The library fund represents funds set aside for the use in connection with the library.

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

The restricted fund comprises the following funds:

**Heritage Lottery Project fund (restricted fund)**

The Heritage Lottery Project fund which represents donations and grants received for the programme of restoration of the old Abbey ruins.

**DEFRA & RDPE fund (restricted fund)**

DEFRA & RDPE fund represents a grant received towards the purchase of equipment and fitting-out of the tea room and farm shop.

**Organ fund (restricted fund)**

Organ fund representing monies held for the restoration of the Abbey organ.

**Friends of Quarr fund (restricted fund)**

Friends of Quarr fund represents monies raised by the Friends of Quarr which will be applied to the projects which they specify.

**Window fund (restricted fund)**

Window fund representing monies held for the restoration of the Abbey windows.

**Vestments fund (restricted fund)**

Vestments fund represents monies raised for the vestments for the members of the community.

**Church gravel path fund (restricted fund)**

Church gravel path fund representing monies held for the upgrade of the Church pathway to enable disabled people and wheelchair users to gain access more easily.

**Abbey ruins conservation fund (restricted fund)**

Abbey ruins conservation fund representing monies received and held for the programme of conservation of the old Abbey ruins.

**Roof repair fund (restricted fund)**

Roof repair fund representing monies received for the programme of repairs to the rooves of the Abbey buildings.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS

| Group                         | At 1/1/20<br>£   | Net<br>movement in<br>funds<br>£ | At 31/12/20<br>£ |
|-------------------------------|------------------|----------------------------------|------------------|
| <b>Unrestricted funds</b>     |                  |                                  |                  |
| General fund                  | 1,625,653        | (305,951)                        | 1,319,702        |
| Property fund                 | 24,955           | (832)                            | 24,123           |
| Library fund                  | 66,428           | 1,337                            | 67,765           |
|                               | <u>1,717,036</u> | <u>(305,446)</u>                 | <u>1,411,590</u> |
| <b>Restricted funds</b>       |                  |                                  |                  |
| Heritage Lottery Fund project | 85,604           | -                                | 85,604           |
| DEFRA & RDPE fund             | 28,973           | (698)                            | 28,275           |
| Organ Fund                    | 21,959           | -                                | 21,959           |
| Friends of Quarr fund         | 21,527           | (12,563)                         | 8,964            |
| Window fund                   | 1,566            | -                                | 1,566            |
| Church gravel path fund       | 2,250            | (2,250)                          | -                |
| Abbey ruins conservation fund | 6,142            | -                                | 6,142            |
| Roof repair fund              | 127,174          | (2,622)                          | 124,552          |
| Interns fund                  | 885              | (885)                            | -                |
| Choir books fund              | -                | 2,530                            | 2,530            |
|                               | <u>296,080</u>   | <u>(16,488)</u>                  | <u>279,592</u>   |
| <b>TOTAL FUNDS</b>            | <u>2,013,116</u> | <u>(321,934)</u>                 | <u>1,691,182</u> |

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

|                               | Transfers<br>£ | Gains and<br>losses<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|-------------------------------|----------------|--------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>     |                |                          |                            |                            |                           |
| General fund                  | -              | (66,149)                 | 587,470                    | (827,272)                  | (305,951)                 |
| Property fund                 | -              | -                        | -                          | (832)                      | (832)                     |
| Library fund                  | -              | -                        | 3,000                      | (1,663)                    | 1,337                     |
|                               | <u>-</u>       | <u>(66,149)</u>          | <u>590,470</u>             | <u>(829,767)</u>           | <u>(305,446)</u>          |
| <b>Restricted funds</b>       |                |                          |                            |                            |                           |
| Heritage Lottery Fund project | -              | -                        | -                          | -                          | -                         |
| DEFRA & RDPE fund             | -              | -                        | -                          | (698)                      | (698)                     |
| Organ Fund                    | -              | -                        | -                          | -                          | -                         |
| Friends of Quarr fund         | (15,368)       | -                        | 2,890                      | (85)                       | (12,563)                  |
| Window fund                   | -              | -                        | -                          | -                          | -                         |
| Church gravel path fund       | 15,368         | -                        | -                          | (17,618)                   | (2,250)                   |
| Abbey ruins conservation fund | -              | -                        | -                          | -                          | -                         |
| Roof repair fund              | -              | -                        | -                          | (2,622)                    | (2,622)                   |
| Interns fund                  | -              | -                        | 1,000                      | (1,885)                    | (885)                     |
| Choir books fund              | -              | -                        | 3,000                      | (470)                      | 2,530                     |
|                               | <u>-</u>       | <u>-</u>                 | <u>6,890</u>               | <u>(23,378)</u>            | <u>(16,488)</u>           |
| <b>TOTAL FUNDS</b>            | <u>-</u>       | <u>(66,149)</u>          | <u>597,360</u>             | <u>(853,145)</u>           | <u>(321,934)</u>          |

Friends of Quarr funded the gravel path project, the transfer above represents the funding provided in the year.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – Continued

| Charity                       | At 1/1/20<br>£   | Net<br>movement in<br>funds<br>£ | At 31/12/20<br>£ |
|-------------------------------|------------------|----------------------------------|------------------|
| <b>Unrestricted funds</b>     |                  |                                  |                  |
| General fund                  | 1,636,462        | (305,712)                        | 1,330,750        |
| Property fund                 | 24,955           | (832)                            | 24,123           |
| Library fund                  | 66,428           | 1,337                            | 67,765           |
|                               | <u>1,727,845</u> | <u>(305,207)</u>                 | <u>1,422,638</u> |
| <b>Restricted funds</b>       |                  |                                  |                  |
| Heritage Lottery Fund project | 85,604           | -                                | 85,604           |
| Organ Fund                    | 21,959           | -                                | 21,959           |
| Friends of Quarr fund         | 21,527           | (12,563)                         | 8,964            |
| Window fund                   | 1,566            | -                                | 1,566            |
| Church gravel path fund       | 2,250            | (2,250)                          | -                |
| Abbey ruins conservation fund | 6,142            | -                                | 6,142            |
| Roof repair fund              | 127,174          | (2,622)                          | 124,552          |
| Interns Fund                  | 885              | (885)                            | -                |
| Choir books fund              | -                | 2,530                            | 2,530            |
|                               | <u>267,107</u>   | <u>(15,790)</u>                  | <u>251,317</u>   |
| <b>TOTAL FUNDS</b>            | <u>1,994,952</u> | <u>(320,997)</u>                 | <u>1,673,955</u> |

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

|                               | Transfers<br>£ | Gains and<br>losses<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|-------------------------------|----------------|--------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>     |                |                          |                            |                            |                           |
| General fund                  | -              | (66,149)                 | 260,618                    | (500,181)                  | (305,712)                 |
| Property fund                 | -              | -                        | -                          | (832)                      | (832)                     |
| Library fund                  | -              | -                        | 3,000                      | (1,663)                    | 1,337                     |
|                               | <u>-</u>       | <u>(66,149)</u>          | <u>263,618</u>             | <u>(502,676)</u>           | <u>(305,207)</u>          |
| <b>Restricted funds</b>       |                |                          |                            |                            |                           |
| Heritage Lottery Fund project | -              | -                        | -                          | -                          | -                         |
| Organ Fund                    | -              | -                        | -                          | -                          | -                         |
| Friends of Quarr fund         | (15,368)       | -                        | 2,890                      | (85)                       | (12,563)                  |
| Window fund                   | -              | -                        | -                          | -                          | -                         |
| Church gravel path fund       | 15,368         | -                        | -                          | (17,618)                   | (2,250)                   |
| Abbey ruins conservation fund | -              | -                        | -                          | -                          | -                         |
| Roof repair fund              | -              | -                        | -                          | (2,622)                    | (2,622)                   |
| Interns fund                  | -              | -                        | 1,000                      | (1,885)                    | (885)                     |
| Choir books fund              | -              | -                        | 3,000                      | (470)                      | 2,530                     |
|                               | <u>-</u>       | <u>-</u>                 | <u>6,890</u>               | <u>(22,680)</u>            | <u>(15,790)</u>           |
| <b>TOTAL FUNDS</b>            | <u>-</u>       | <u>(66,149)</u>          | <u>270,508</u>             | <u>(525,356)</u>           | <u>(320,997)</u>          |

Friends of Quarr funded the gravel path project, the transfer above represents the funding provided in the year.

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – PRIOR YEAR

| Group                         | At 1/1/19<br>£   | Net<br>movement in<br>funds<br>£ | At 31/12/19<br>£ |
|-------------------------------|------------------|----------------------------------|------------------|
| <b>Unrestricted funds</b>     |                  |                                  |                  |
| General fund                  | 1,622,877        | 2,776                            | 1,625,653        |
| Property fund                 | 25,787           | (832)                            | 24,955           |
| Library fund                  | 66,428           | -                                | 66,428           |
|                               | <u>1,715,092</u> | <u>1,944</u>                     | <u>1,717,036</u> |
| <b>Restricted funds</b>       |                  |                                  |                  |
| Heritage Lottery Fund project | 85,604           | -                                | 85,604           |
| DEFRA & RDPE fund             | 29,671           | (698)                            | 28,973           |
| Organ Fund                    | 21,959           | -                                | 21,959           |
| Friends of Quarr fund         | 13,945           | 7,582                            | 21,527           |
| Window fund                   | 1,566            | -                                | 1,566            |
| Church gravel path fund       | 2,250            | -                                | 2,250            |
| Abbey ruins conservation fund | 4,276            | 1,866                            | 6,142            |
| Roof repair fund              | 129,796          | (2,622)                          | 127,174          |
| Interns fund                  | -                | 885                              | 885              |
| Vestments fund                | -                | -                                | -                |
|                               | <u>289,067</u>   | <u>7,013</u>                     | <u>296,080</u>   |
| <b>TOTAL FUNDS</b>            | <u>2,004,159</u> | <u>8,957</u>                     | <u>2,013,116</u> |

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

|                               | Gains and<br>losses<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|-------------------------------|--------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>     |                          |                            |                            |                           |
| General fund                  | 66,655                   | 850,859                    | (914,738)                  | 2,776                     |
| Property fund                 | -                        | -                          | (832)                      | (832)                     |
| Library fund                  | -                        | -                          | -                          | -                         |
|                               | <u>66,655</u>            | <u>850,859</u>             | <u>(915,570)</u>           | <u>1,944</u>              |
| <b>Restricted funds</b>       |                          |                            |                            |                           |
| Heritage Lottery Fund project | -                        | -                          | -                          | -                         |
| DEFRA & RDPE fund             | -                        | -                          | (698)                      | (698)                     |
| Organ Fund                    | -                        | -                          | -                          | -                         |
| Friends of Quarr fund         | -                        | 8,216                      | (634)                      | 7,582                     |
| Window fund                   | -                        | -                          | -                          | -                         |
| Church gravel path fund       | -                        | -                          | -                          | -                         |
| Abbey ruins conservation fund | -                        | 19,500                     | (17,634)                   | 1,866                     |
| Roof repair fund              | -                        | -                          | (2,622)                    | (2,622)                   |
| Interns fund                  | -                        | 1,000                      | (115)                      | 885                       |
| Vestments fund                | -                        | 3,550                      | (3,550)                    | -                         |
|                               | -                        | <u>32,266</u>              | <u>(25,253)</u>            | <u>7,013</u>              |
| <b>TOTAL FUNDS</b>            | <u>66,655</u>            | <u>883,125</u>             | <u>(940,823)</u>           | <u>8,957</u>              |

ST MARY'S ABBEY, QUARR

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020

22. MOVEMENT IN FUNDS – PRIOR YEAR – Continued

| Charity                       | At 1/1/19<br>£   | Net<br>movement in<br>funds<br>£ | At 31/12/19<br>£ |
|-------------------------------|------------------|----------------------------------|------------------|
| <b>Unrestricted funds</b>     |                  |                                  |                  |
| General fund                  | 1,631,207        | 5,255                            | 1,636,462        |
| Property fund                 | 25,787           | (832)                            | 24,955           |
| Library fund                  | 66,428           | -                                | 66,428           |
|                               | <u>1,723,422</u> | <u>4,423</u>                     | <u>1,727,845</u> |
| <b>Restricted funds</b>       |                  |                                  |                  |
| Heritage Lottery Fund project | 85,604           | -                                | 85,604           |
| Organ Fund                    | 21,959           | -                                | 21,959           |
| Friends of Quarr fund         | 13,945           | 7,582                            | 21,527           |
| Window fund                   | 1,566            | -                                | 1,566            |
| Church gravel path fund       | 2,250            | -                                | 2,250            |
| Abbey ruins conservation fund | 4,276            | 1,866                            | 6,142            |
| Roof repair fund              | 129,796          | (2,622)                          | 127,174          |
| Interns Fund                  | -                | 885                              | 885              |
| Vestments fund                | -                | -                                | -                |
|                               | <u>259,396</u>   | <u>7,711</u>                     | <u>267,107</u>   |
| <b>TOTAL FUNDS</b>            | <u>1,982,818</u> | <u>12,134</u>                    | <u>1,994,952</u> |

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

|                               | Gains and<br>losses<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|-------------------------------|--------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>     |                          |                            |                            |                           |
| General fund                  | 66,655                   | 399,423                    | (460,823)                  | 5,255                     |
| Property fund                 | -                        | -                          | (832)                      | (832)                     |
| Library fund                  | -                        | -                          | -                          | -                         |
|                               | <u>66,655</u>            | <u>399,423</u>             | <u>(461,655)</u>           | <u>4,423</u>              |
| <b>Restricted funds</b>       |                          |                            |                            |                           |
| Heritage Lottery Fund project | -                        | -                          | -                          | -                         |
| Organ fund                    | -                        | -                          | -                          | -                         |
| Friends of Quarr fund         | -                        | 8,216                      | (634)                      | 7,582                     |
| Window fund                   | -                        | -                          | -                          | -                         |
| Church gravel path fund       | -                        | -                          | -                          | -                         |
| Abbey ruins conservation fund | -                        | 19,500                     | (17,634)                   | 1,866                     |
| Roof repair fund              | -                        | -                          | (2,622)                    | (2,622)                   |
| Interns Fund                  | -                        | 1,000                      | (115)                      | 885                       |
| Vestments Fund                | -                        | 3,550                      | (3,550)                    | -                         |
|                               | -                        | <u>32,266</u>              | <u>(24,555)</u>            | <u>7,711</u>              |
| <b>TOTAL FUNDS</b>            | <u>66,655</u>            | <u>431,689</u>             | <u>(486,210)</u>           | <u>12,134</u>             |

**ST MARY'S ABBEY, QUARR**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**23. RELATED PARTY DISCLOSURES**

As disclosed in Note 17, the charity has a wholly owned trading subsidiary company, Quarr Abbey Enterprises Limited.

At 31 December 2020 Quarr Abbey Enterprises Limited owed an amount of £126,947 to St Mary's Abbey, Quarr, Charitable Trust (2019: £119,043). Interest charged on this loan amounted to £632 (2019: £435). The loan is unsecured and is repayable over 10 year and interest accrues at the Bank of England base rate.

**24. ULTIMATE CONTROLLING PARTY**

The charity was under the control of the trustees throughout the year.

**25. POST BALANCE SHEET EVENTS**

The COVID-19 pandemic has continued in 2021.

The charity is dependent on voluntary income and income from its trading subsidiary. As a result of the restrictions in place for the first half of 2021 the charity's ability to generate income has been severely restricted.

Since the easing of the restrictions visitors have been able to return to the Abbey and the tea shop and farm shop have reopened, albeit initially with reduced opening hours. This has allowed for the gradual return to work of the furloughed staff. The charity is now fortunate to be meeting its income targets.

The trustees believe that their investment strategy will help to regain the losses suffered due to the impact of the pandemic on world markets.

The trustees have made use of the available government support, which included making use of the furlough scheme to help protect the jobs of the staff in the trading subsidiary.

Any shortfall in income against budgeted expenditure in 2021 can be rectified through making a drawdown from the investment portfolio.