

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**  
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**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**  
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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**  
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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**  
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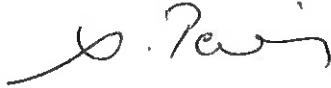
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**Auditors**

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

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#### 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

		Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
	<u>Note</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> =====	<u>29,493</u> =====	<u>4,349,604</u> =====	<u>4,367,757</u> =====

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 Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
<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> =====	<u>29,493</u> =====	<u>4,342,117</u> =====	<u>4,362,978</u> =====
<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> =====	<u>4,362,978</u> =====

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 £	2022 £
<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		(5,034)	(550)
<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 £	2022 £
<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 01/01/23 £	Cash flow £	Non cash Changes £	At 31/12/23 £
<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 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
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 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Church Abbey roof and windows	-	-	-	211,208
Abbey ruins project	-	-	-	30,000
Listed places of worship	-	-	-	38,358
Infirmity 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 £	2022 £
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 £	2022 £
Investment portfolio income	32,740	26,830
Rental income	51,536	51,603
Interest receivable	<u>1,460</u>	<u>285</u>
	85,736	78,718
	=====	=====

6. OTHER INCOME

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

7. RAISING FUNDS

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
<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>
	878,812	-	878,812	741,090
	=====	==	=====	=====

ST MARY'S ABBEY, QUARR

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

8. CHARITABLE ACTIVITIES COSTS

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
<b>General upkeep of the Abbey and 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>-</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>-</u>	<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>-</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 Charitable Activities £	2023 Raising Funds £	2023 Total £	2022 Total £
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>-</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 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Revaluation of investment properties	-	-	-	140,935
Gains/(losses) on investments	<u>2,703</u>	<u>-</u>	<u>2,703</u>	<u>(80,210)</u>
	<u>2,703</u> =====	<u>-</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
	=====	=====

**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
	=====	=====

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
	==	==

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 funds £	Restricted funds £	Total funds £
<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> =====	<u>40,286</u> =====	<u>4,367,757</u> =====



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 £	2022 £
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 Property £	Motor vehicles £	Furniture & equipment £	Totals £
<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	<u>874,057</u> =====	<u>23,765</u> =====	<u>62,799</u> =====	<u>960,621</u> =====
At 31 December 2022	<u>893,700</u> =====	<u>27,311</u> =====	<u>57,608</u> =====	<u>978,619</u> =====

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 Property £	Motor vehicles £	Furniture and equipment £	Total £
<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

**FAIR VALUE**

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

**FAIR VALUE**

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 Investments £	Unlisted Investments £	Cash and settlements pending £	Totals £
<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		<u>809,658</u>	<u>16,006</u>	<u>10,384</u>	<u>836,048</u>
<b>NET BOOK VALUE</b>					
At 31 December 2023		<u>809,658</u>	<u>16,006</u>	<u>10,384</u>	<u>836,048</u>
At 31 December 2022		<u>817,375</u>	<u>16,006</u>	<u>4,226</u>	<u>837,607</u>

Charity	Shares in Group Undertakings £	Listed investments £	Unlisted investments £	Cash and settlements pending £	Totals £
<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>2,703</u>	<u>-</u>	<u>-</u>	<u>2,703</u>
At 31 December 2023	<u>2</u>	<u>809,658</u>	<u>16,006</u>	<u>10,384</u>	<u>836,050</u>
<b>NET BOOK VALUE</b>					
At 31 December 2023	<u>2</u>	<u>809,658</u>	<u>16,006</u>	<u>10,384</u>	<u>836,050</u>
At 31 December 2022	<u>2</u>	<u>817,375</u>	<u>16,006</u>	<u>4,226</u>	<u>837,609</u>

**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 £	2022 £
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 =====	4,779 =====
	2023 £	2022 £
Total assets	233,351	173,528
Total liabilities	<u>(225,862)</u>	<u>(168,747)</u>
Aggregate share capital and reserves	7,489 =====	4,781 =====

**19. STOCKS**

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

**20. DEBTORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
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 =====	194,542 =====	20,226 =====	148,655 =====

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 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
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 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
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 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2023 £
<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 1 January 2022	Incoming resources	Resources expended	Gains/losses	Balance at 31 December 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)	-
Infirmity roof	-	51,158	-	(51,158)	-
Choir books	<u>2,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,530</u>
	<u>15,907</u>	<u>303,827</u>	<u>(17,082)</u>	<u>(262,366)</u>	<u>40,286</u>
	=====	=====	=====	=====	=====

The transfers in restricted funds on the restoration of the Abbey roof and windows, and Infirmity 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 1 January 2023	Net income Less expenditure	Changes in Valuation	Fund Transfers	Balance at 31 December 2023
	£	£	£	£	£
Current year					
Unrestricted funds	2,291,773	(10,063)	2,703	-	2,284,413
Revaluation reserve	<u>2,035,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,035,698</u>
	<u>4,327,471</u>	<u>(10,063)</u>	<u>2,703</u>	<u>-</u>	<u>4,320,111</u>
	=====	=====	=====	=====	=====

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

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

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

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

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

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

**ST MARY'S ABBEY, QUARR**

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

**25. FINANCIAL INSTRUMENTS**

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

**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.