

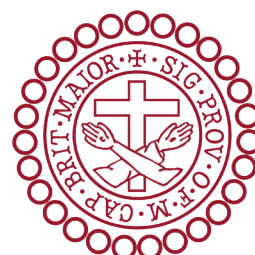


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# O.F.M. (CAPUCHIN) GB CHARITABLE TRUST

## ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 2020  
CHARITY NO: 231143



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The trustees present their statutory report together with the consolidated accounts of the O.F.M. (Capuchin) GB Charitable Trust (the "charity") and its trading subsidiary, OFM Capuchin Trading Limited, for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 48 to 53 of the attached accounts and comply with

the charity's trust deed, applicable laws, applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Trustees	<p>Br James Boner OFM Cap  Br Michael Hargan OFM Cap  Br Martin Mikuskiewicz OFM Cap  Br Charles Serignat OFM Cap  Br Lucjan Zaniewski OFM Cap</p> <p>The trustees are incorporated under the Charities Act 2011</p>
Provincial Minister and Provincial Bursar	Br James Boner OFM Cap
Provincial office	Provincial Curia Franciscan Friary Carlton Road Erith Kent DA8 1DN
Charity number	231143
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 121 High Street Oxford OX1 2BX  National Westminster Bank plc 1st Floor 440 Strand London WC2R 0QS
Principal investment managers	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH
Solicitors	Laytons LLP Pinnars Hall, 105-108 Old Broad Street London EC2N 1ER  BLM LLP Plantation Place 30 Fenchurch Street London EC3M 3BL  Farrar & Co LLP 66 Lincoln's Inn Fields Holborn London WC2A 3LH

# A Message from the Provincial

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“ Let us give thanks  
to the Lord!

In this second year of this term as Provincial Minister, this being my fourth as the Provincial Minister I wish to express my thanks for the support of the brothers and all of the staff who work for us and assist in our varied ministries.

The Capuchin Franciscans trace our foundation to the tumultuous 16th Century, when Europe was witnessing religious and geographical upheavals. As a reform movement of the Franciscan family, we have from the outset concentrated our efforts on prayer, care of the poor and those neglected by society. This tradition continues to this today in England and Wales in various forms but always in keeping with our charism.

Our General Minister, Br Roberto Genuin, and His General Council, at the beginning of their term of office (Sexsennium) set out the priorities for the World Wide Capuchin Franciscan Order. The main themes were the Ratio Formationis: this document sets out clearly the values that characterise our identity as Capuchins; The Order in Europe, this theme highlights changing situation of the Order from being European centric addressing the challenges of diminishment, consolidation and future structures. There is no doubt that the European provinces will eventually see some form of



amalgamation beginning in initial formation. It is the latter that has already had an impact on the structures. In the last 15 years our North European Conference (CENOC) has gone from 12 separate Provinces to 8. This trend will continue in 2022 with the Great Britain Province due to become a delegation of the Province of Ireland. To accomplish one of the initiatives outlined by the General Minister with his focus on 'The Order in Europe', a meeting of all of the Provincials of Europe (Italy, Spain, and former Eastern Europe) will be held in Częstochowa. Europe is changing and the Order will have to adapt to this new reality, including the brothers of our Province.

With this in mind and still in the throes of a pandemic which has affected us in the Province and led to the closure of normally free travel in Europe and beyond, we witness a growing nationalism and xenophobia. It is my hope and aspiration that the Capuchins coming together will be a counter witness to this phenomena.

We continue to express our charism and outreach through our ministries and with external organisations. Responding to the call from the Pope Francis in 'Laudato Si' has prompted us once again to reach out to the marginalised and those affected by the pandemic. It is known that the poor and those in the lower socio-economic strata have been the most impacted by the pandemic both in Great Britain and most especially the developing world. This outreach has manifested us assisting with food banks, modern slavery (Arise Foundation), Durham University (Centre for Catholic Studies), Team 8 The Legian, Asociación Ciudad de los niños de la Inmaculada, Franciscans International (UN Advocacy), Kenelm Youth Trust and overseas missions.

I hope that in reading the following report and annual accounts it will become clear that though small in numbers in Great Britain we strive to do all that we can to defend and promote the work of God in the footsteps of our Holy Father, Saint Francis.

Br James Boney OFMGP.





# Who we are

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## Foundation



1528

## Friars



Aprox.  
11,000

## Countries



Over  
100

## Internationally

The Order of Friars Minor (Capuchin) (the "Order") is an international Roman Catholic Religious Order of men, (the friars), founded in Italy in 1528. The Order has maintained its essential character throughout the centuries: Friars live in communities, observing the Gospel of Our Lord Jesus Christ. They live under vows of poverty, chastity, and obedience, in

accordance with the Order's own Rules. The Minister General's headquarters are in Rome where he is assisted by a General Council, governing the Order worldwide. The Order is divided into provinces of which the Province of Great Britain is one.

*ofmcap.org*



## Houses



4

## Friars



23

## Vows



Chastity, Poverty  
and Obedience

## Province of Great Britain

The Province of Great Britain is made up of perpetually professed and temporary professed friars living and working in four houses (Chester, Erith, Oxford and Pantasaph), and occasionally in other locations. Responsibility for the Order in Great Britain rests with the Provincial Minister and his Council.

The Parishes are entrusted to the Order's care by the local Bishop. All monies collected by the Parish constitute the stable patrimony of the Parish and, in accordance with Canon (Church) law, cannot be used for any other purpose. Therefore, such monies are shown as restricted funds in the attached accounts. All material expenditure in connection with the Parishes, including that for property repairs, is paid directly from Parish funds.

The accounts accompanying this report are those of a charitable trust on which the assets of the Order in Great Britain are held. The charity is registered with the Charity Commission (registration number 231143). It is governed by a Scheme of the Charity Commission dated 21 April 2015 as amended by a scheme dated 23 September 2016.

*capgb.org*



# Our work in 2020

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## Introduction

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Our report last year emphasised the changing demography of the Capuchins in Great Britain and Europe. At the meeting of the Trustees following our Provincial Chapter in September 2020, our predictions outlined in the review of our ministries and priorities became ever more evident (Review of Presences & Ministries 2016). To address the age profile and presences (Friaries and Ministries) the Provincial and His Council (Trustees) instead of starting with positions (guardians, parish priest etc) as our main focus, decided to begin our discussion by listing priorities that had emerged and had been agreed on at the aforementioned Chapter. Thus, the main priorities were: Formation, and Lawrence of Brindisi.

It was also very important to the Trustees that we should continue our engagement with external groups who assist us in our ministries and outreach. They were also cognisant of the lived reality in our friaries and importance of running our ministries professionally with due diligence. As reported last year, the process to leave Pantasaph has been hindered by forces beyond our control and the on-going impact of the pandemic. The work streams agreed prior to the Provincial Chapter are further developed in this report and were as follows: Fraternal Collaboration; Lawrence of Brindisi Initiative; Justice Peace and Care of Creation (JPC); Induction Programme; and Safeguarding.

Ongoing formation continues to remain at the heart of our life, assisting us to continue to evaluate our place in society and how best to serve the Church whilst remaining faithful to our charism. This was, as mentioned before, a stated priority of the General Minister and His Council.

*The paragraphs that follow outline briefly the charity's achievements during the year 2020 in each of its main activities.*





# Stories from our work

“It’s a joy to have our streets brightened up like this!

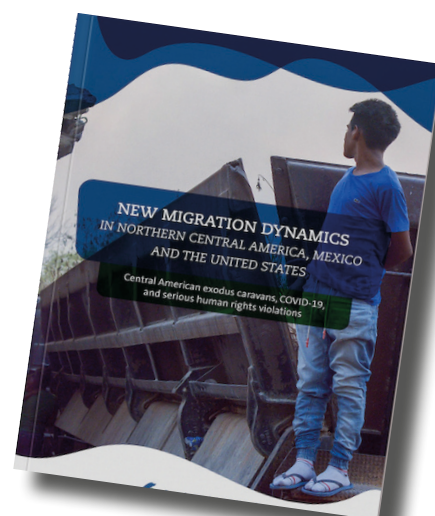
*Local resident*

## Gallery on the streets

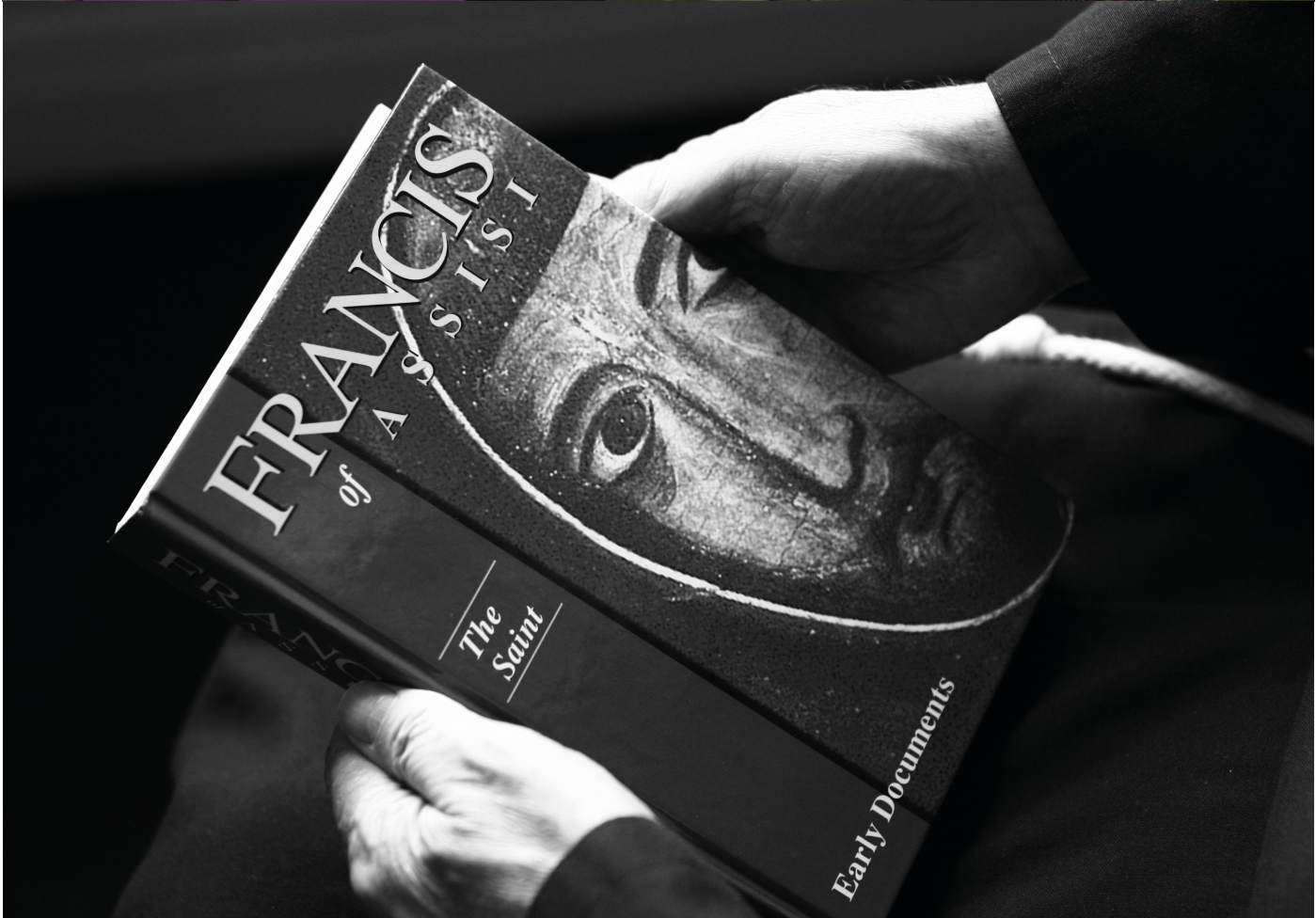
During the pandemic, Capuchin Friars in Oxford installed a Gallery on the Streets, a project which presents Jesus to the public in a visual way, by showcasing Catholic art on the gates of our friary. It takes the work of The Society of Catholic Artists and showcases their paintings for all to see, something which enriches our locality and hopefully increases the sales for those artists.

## New Migration Dynamics Report

Every year, more than 300,000 people attempt to reach the United States from countries in Northern Central America. Driven from their homes by violence, extreme poverty, climate change, and a number of other factors, they are forced to embark on a journey that itself fraught with danger. Along this road, Franciscan brothers and sisters are trying to support and protect migrants as best they can. They do so by providing direct assistance, but also by documenting the stories of those that pass through their shelters. The Franciscan voice at the United Nations, Franciscans International, who wrote this report receives funding from the GB Capuchins.









# Social and pastoral work

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4 Parishes



2 Night Shelters



4 School Chaplaincies



1 Food Bank

For centuries, The Order of the Friars Minor (known as the Capuchins) have been dedicated to working with and amongst the poorest and most marginalised people in our societies. Whilst social welfare has changed drastically since the conception of the Order, the friars still hold this work at the heart of what they do. We are committed to ministering to all those who we encounter in and around our communities. Friars also work proactively with those on the edges of society. This includes, but is not exclusive to, those in prison and their families and traveller communities. Our social and pastoral work is a key part of the formation that takes place for our friars and within our parishes. Friars and lay members of our communities assist in food programmes, such as food banks and soup kitchens, and social engagement, such as working with migrants and refugees. We carry out these programmes in conjunction with external organisations (both Catholic and non-Catholic) both in the UK and around the world.

# Parish and parochial activities

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There are currently four parishes entrusted to the care of the Capuchins: Erith, Oxford, Chester, and Pantasaph. As with most Catholic parishes within the UK, the friars work in the parish consists of proclaiming the Kingdom of God and providing pastoral ministry to Roman Catholics within each of these local areas.

Day-to-day parish work involves the celebration of daily Masses, Sunday Masses, celebrations on holy days of obligation and spiritual direction. The friars provide Reconciliation, anointing of the sick and baptisms on a regular basis and First Communion and Confirmation annually. They also celebrate marriages when requested. We are dedicated to supporting the bereaved during their time of grief and conduct funeral services within the community. Although these sacraments and services are provided largely for Catholics or those intending to become Catholic, services within our parishes are open for anyone to attend.

The trustees will continue to assess the impact of the pandemic and other factors on the services provided by these four parishes. Success is measured by the numbers attending Sunday Masses the numbers of young people, the number of those converting to Catholicism within the parish, the variety of parish activities and local social engagement, national social engagement and financial viability.

Regular meetings take place between the friars and the priests of the local deanery (the local group of parishes). Here common objectives are set and the solutions to ongoing challenges are discussed. This area of activity has been severely curtailed by the ongoing restrictions as a result of the pandemic.



## *Our volunteers*

Our volunteers contribute so much to the work of our parishes. Parishioners are part of the welfare and daily running of their own parishes. Some provide pro bono professional advice and others voluntary assistance in order to aid the friars in running programmes of spiritual development, liturgy and catechesis.

## *The effects of the pandemic*

The effects of the global Coronavirus pandemic on the closure of churches and on our communities more generally have been far reaching. As was well documented at the time, public celebrations of Mass and the celebration of the other sacraments were suspended, funerals had to be carried out under strict guidelines and visiting the sick and infirm was prohibited.

Parish incomes were also affected during this time. Much of the parish income is donated during the collection at Sunday Masses. Therefore the financial health of the parish is largely dependent on the numbers of people attending at each parish.



The trustees are continuing to monitor the financial impact of the pandemic on parish finances (restricted funds). They are working in conjunction with the four diocesan financial secretaries to find a solution for these parishes on a national and diocesan level. The trustees are monitoring the continued effect of the loss of income on the viability of parishes and their ministries on a frequent basis.

## *New initiatives*

The Erith and Oxford parishes have been engaging in new initiatives to provide support in their local communities. These parishes host night shelters for the homeless in their local area. During the COVID-19 pandemic these night shelters were unable to open. However, parishioners and children from the parish schools adapted to the new circumstances and continued to provide for those in need. In Erith, food and other items were donated to the Trussell Trust food bank and in Oxford, a contribution was made to an initiative to house homeless people in a local guest house.

## *Chester (St Francis)*

[stfrancischester.co.uk](http://stfrancischester.co.uk)



Our parish in Chester is situated within the ancient city walls and has a particular ministry to those who work in and visit this historic city. We are grateful for the presence of friars from Polish provinces and for their introduction of a Polish-language Mass and ministry to the Polish community in the area. Over the years, this community within St Francis parish has grown, creating demand for the introduction of a second Polish Mass.

The Polish community now form roughly two thirds of the churchgoers at St Francis' and it is their weekly donations that are largely responsible for ensuring the parish continues to be financially viable. The overall attendance continues to gradually increase and notwithstanding pandemic restrictions, around 500 people attend Mass here.

Being a community of faith in a thriving city is a tangible witness of the presence of God, serving the people and enhancing the flourishing of the wider country.

## *Erith (Our Lady of the Angels)*

[olaerith.org.uk](http://olaerith.org.uk)

[st-fidelis.bexley.sch.uk](http://st-fidelis.bexley.sch.uk)



The parish in Erith is the Province's largest ministerial commitment, with an average weekend congregation of approximately 750 parishioners. Due to this large congregation and a successful Gift Aid scheme, the parish finances are sufficient for the long-term requirements of this community. However, over this last year there has been a loss of weekly income. To counter this, the parish has developed methods of direct giving, through online donations, direct debits and contactless payment machines.

The parish has a high proportion of African immigrants in its congregation. Of this community within the parish, there are a substantial number of people who have converted to Catholicism. As well as this, there are a number of young people who maintain a vibrant parish life with social outreach, pastoral activities and choirs. Another major community within Our Lady of the Angels parish is the Polish community, who are given support and advice by Polish friars. This is a ministry that is continuing to develop, however the parish does not currently have sufficient personnel from the order to do this.

The friars in this parish also minister to the local primary school, St Fidelis Catholic Primary School, which is situated next to the parish church.

### *Oxford (St Edmund and St Frideswide)*

[greyfriarsoxford.uk](http://greyfriarsoxford.uk)

[primary.stgregory.oxon.sch.uk](http://primary.stgregory.oxon.sch.uk)



Our presence at the site in Oxford in recent history dates back to the 1930s, with the foundation of this friary and parish church. Currently, the parish congregation is around 500 people which during term time includes university students. There is also a thriving migrant community, including people from East Timor and many other places around the world.



The parish engages in outreach projects to address the social needs of Oxford and the surrounding areas. For example, St Edmund and St Frideswide parish assists in outreach via The Parlour initiative in cooperation with Oxford City Council and other faith communities. In Oxford our ministry also extends to the poor and marginalised which includes visiting a number of travellers' sites and to developing contacts with the local Muslim population.

There is a Catholic primary school, St Gregory's close by, within the parish boundaries and to which the parish priest ministers. The parish priest also has an increasing involvement with the local secondary school, ministering to both pupils and staff.

## *Pantasaph (St David)*

[pantasaph.org.uk](http://pantasaph.org.uk)



The parish in Pantasaph is largely rural, and the majority of the congregation are from outside the parish boundaries. The numbers that attended Mass before pandemic restrictions were around 150; a small but steady congregation. Since the March 2020 closures and the reopening of places of worship in July 2020 there are around 50 parishioners at the two Sunday Masses. The parish is fairly active, with lay involvement, a variety of ministries within Pantasaph and a small number of individuals converting to Catholicism each year.

Pantasaph is the Order's largest property. It has Grade II\* Listed status. As a consequence, it continues to present a number of challenges. Its use as a retreat centre (see below) had meant that there were many aspects of legislation to be complied with, which added to the charity's costs. This formed part of the decision to cease the retreat centre's residential ministry.





In 2017, ongoing consultation began concerning the best way to develop the Order's ministries at Pantasaph. This resulted in a decision to cease taking residential guests. Please refer to the future plans for the retreat centre for further information (page 18).

The finances of the Parish are of a major concern. Due to the small population of the parish territory, the trustees have considered relinquishing the parish to the diocese while continuing to provide Mass and other services for the people. This decision will be made in consultation with the Bishop of Wrexham and his own strategic plan for parishes. It should be noted that the religious congregation interested in purchasing the former retreat centre has indicated a willingness to retain the parochial outreach as part of this agreement. To ensure good communication with the local community the Provincial and the Local Ordinary held a public meeting in December 2019, agreeing to maintain open communication regarding the ongoing development of our presence in Pantasaph. As previously mentioned Pantasaph remains in the ownership of the trust with ongoing discussions with parties concerned.

### *Parish facilities*



All four Parishes have a hall for parish and social functions. While these are essential for the community life of the parishioners, the halls are also made available to a number of local and national groups. These groups are not necessarily Catholic. For example, the Angelus Centre, attached to the parish in Erith, provides a meeting place for groups such as Scouts, Alcoholics Anonymous (English and Polish), London Borough of Bexley Council, a range of care trusts, the Blood Donor Association, other faith groups, local academies, dancing classes, a diabetes clinic and more. The Angelus Centre can also be booked for wedding receptions. The centre plays an integral part in the cohesion of the local community including facilitating national outreach.

In Pantasaph, groups of schoolchildren and their teachers often visit for day trips and use the hall and other facilities available. The premises there are utilised by many and there is no restriction on any group which wishes to utilise them. However, we do particularly value users with a Catholic ethos.

The hall in Oxford (The Walmsley Hall) is in need of repairs and renovations. The parish is looking to raise funds for these works, although some of the cost will be covered by the Province if the parish are able to raise sufficient funds. Planning permission has been sought and granted for renovation and grants are being sought from external bodies. The plans were amended to incorporate other facilities and features which were also granted in 2019 by Oxford City Council. There is a special committee within the parish entrusted with fundraising, which remains under the direction of the parish priest.

## *Retreat Centre, Pantasaph*

The Provincial Chapter held in September 2017 held a vote which verified the difficult decision to cease the retreat centre ministry in Pantasaph. The Chapter recognised that the extensive renovations that would be required to make the retreat centre a viable and self-sustaining presence would be impossible to achieve.

The trustees, aware of their responsibility, have been actively engaged in planning for the future use of the former retreat centre. The building is substantial and also forms the majority of the former friary. The friars continue to reside in an adjacent property and are responsible for the maintenance and fabric of the entire building. Cleaners and maintenance staff are still employed for the friary (now at Denbigh House) and former retreat centre.

The trustees have kept the Local Ordinary appraised of all discussions. The trustees have also been in negotiation with another Congregation which is interested in purchasing the former retreat centre building to use as a charismatic conference and retreat centre as well as retaining the parochial ministry. These discussions are ongoing and have been paused for some time due to unforeseen circumstances. The trustees commissioned a feasibility study of the property by Savills estate agents to ascertain the market value and marketability of the Pantasaph retreat centre and ancillary buildings. The trustees are satisfied that the proposed transfer is in line with our objectives to further the spread of the Catholic faith in Great Britain. The trustees are conscious of the importance of Pantasaph in the history of the Province and the lives of those who attend Mass, which will influence all further discussions on the future use of the retreat centre and our presence as an order within Pantasaph.



## *Shrine of Padre Pio*

Another particular ministry of the Pantasaph friary was the St Pio Peace Centre. Padre Pio of Pietrelcina is a popular 20th-century saint and was of the Capuchin Order. This shrine attracts pilgrims from around the world and special events are held regularly to promote the teaching and example of this saint. As well as a shrine for St Pio, pilgrims were welcomed to the site which included a gift shop and café. There were a substantial number of regular visitors to the café, which served as a hub for the local community. A recent decision by the trustees has resulted in the permanent closure of the gift shop and café. This was a difficult decision but one thought necessary alongside future plans for Pantasaph.

## *Caring for members of the Order*



As friars profess a lifelong vow to the Order, so too does the Order offer a lifelong commitment to the friars. The Order has both a moral and legal obligation to provide care for its members for as long as it is required. Friars do not have resources of their own; they have all devoted their lives to serving their community, and therefore it is not expected of them to provide for themselves in later life.

The trustees are kept informed about the current demographic and the projections for the Province, in Order to make medium to long-term plans. The wellbeing of the friars and those that we minister to is of utmost importance to the trustees and they review these plans regularly.



Currently, the average age of the friars is 66.5. As the average age profile of the Province rises, care needs will also increase, as will the costs of providing them. This will place a substantial burden on the charity's finances – both in terms of increased costs but also because certain income sources will reduce as members become unable to carry out work as they previously had. At present, the costs have been manageable for the Order. Current funds are used to provide care for the friars within the friaries, only resorting to outside care when community care becomes unsustainable or not appropriate. There are a number of infirm friars, needing different levels of care, who are being cared for within their own friaries. There are also a number of elderly friars; 5 friars over 70 years of age, 3 over 80 and 3 over 90. A portion of the funds designated for caring for the friars is administered by the trustees for the friars' care and wellbeing.

## *Other province pastoral activities*

The friars often work as chaplains in local primary schools and assist the lay chaplains in secondary schools and academies in London, North Wales and Oxford.

At Erith, St Fidelis Primary School is close to the parish. It is a popular school and ranks as one of the best in the London Borough of Bexley and nationally and, as a faith school. The intake of pupils is almost entirely Catholic. A member of the Province is Chair of the governing body, and the head teacher frequently invites friars to provide pastoral and sacramental ministry within the school, while the school in turn assists the celebration of a Sunday Mass once a month. Both the school and parish are also major contributors to the local food bank and the friars are invited to work within the prison. The value placed upon the friars' ministry, as evidenced by how often they are invited to the schools and the prison, is the main measure of success.

Other friars are invited to preach at parishes or events around the country, to support lay Franciscan organisations and to work with married and engaged couples. They are also involved in the spiritual and emotional development and formation of religious congregations.

Although no British members of the Capuchin Order are stationed overseas at the moment, we recognise that we are an international Order (present in over 100 countries) and so support our brothers in developing countries with grants for education and capacity building, as well as works for the relief of the poor. This is now mainly administered via the Office of Economic Solidarity at our General Curia, Rome. The Provincial Minister in Great Britain is a member of the Office of Economic Solidarity which entails him to travel extensively to India, Africa and other countries as directed by the General Minister in Rome. The social impact of this work is extensive as is the involvement of many friars in deprived communities. This is viewed by the trustees as a valuable contribution to the outreach of the Order.

## *Solidarity with the poor*

In keeping with the Constitutions and Plenary Councils of the Order, the Capuchins are seeking to achieve a greater solidarity with the poor. Such solidarity can be shown by living among the poor and by sharing in their lives. We are also able to express this solidarity by assisting those in need who come to our doors and also internationally by raising and donating money to suitable

projects. At this time, we have in particular been committed to assisting an orphanage in Peru. We also provide advocacy at the United Nations via Franciscans International. During the course of the year, the Order made donations to projects in Poland, Capuchin General Curia (Rome), Indonesia, San Tome and Sri Lanka, and to the Volunteer Missionary Movement, and the Capuchin Tertiary Sisters.

## *Overseas missions*

The Capuchin Province of Great Britain has a long history of working for the development of people both here and abroad. Historically we have had houses and communities to cater for the health and educational needs of people in India, Ethiopia and Papua New Guinea. During the course of this year, the Province has donated money to the Order's central mission fund, administered by our General Curia via the Boni Pastoris Fund & Veronica Guiliana Fund. These funds are utilised in over 100 countries for formation of the friars and Capuchin sisters that serve the local people in these areas who often live in extreme poverty.

## *Solidarity of personnel*



The Capuchin Franciscans are part of a large and substantial Religious Order numbering approximately 11,000 members worldwide. Because of this it is a concern to this Province that our charism continues to be present in more established jurisdictions like Great Britain, where we have had a presence since the sixteenth century. As part of this dedication to a continued presence, the Province of Great Britain has a contract with the Capuchin Province of Warsaw which assists us with a supply of personnel. This relationship is seen as a positive response to the falling number of vocations to the Capuchin Order within Great Britain as well as demonstrating an understanding of the changing demographic of the parishes within our care. The primary function of this contract is to enhance fraternal living by supporting our life and ministries. The integration of these Polish friars and their contribution to our ministry is regularly assessed by the trustees.

In February 2020, the Provincial and Council of Great Britain met with the Provincial and Council of Warsaw to discuss further collaboration and the possibility of more friars coming to the Province. Whilst this was agreed, because of COVID-19 the friars have been unable to travel as yet. We hope that two friars will arrive from the Province of Warsaw when it is safe and appropriate.

In addition to this collaboration, the Order's leadership in Rome suggested that we enter into a similar arrangement with an



Indian Province of the Order. After discussions and mutual visits during 2017 and 2018, the Provincial Chapter agreed in principle to a collaboration with St Fidelis Province based in Lucknow (Uttar Pradesh, India). There was a suggestion that the Province may also look to house brothers who wish to complete their theological studies in Great Britain. The agreement between the two Provinces has been sanctioned by the General Minister and Council.

Two brothers in temporary vows arrived from India to Great Britain during February 2020. We are also awaiting the arrival of another professed clerical brother to assist in our ministries. The trustees are conscious of their responsibility to ensure that the integration of the brothers within our communities is successful. Solidarity of personnel and the ministries of the province to come out of these collaborations will form part of the new strategic plan for the Province. The trustees agree that with the enhanced numbers we will be able to maintain a number of our ministries and outreach and are grateful to the Province of Warsaw and St Fidelis Province (India). As the Order here is a registered body capable of issuing Tier 2 and Tier 5 visas in accordance with UK Visas and Immigration guidelines, this is administered strictly within the bounds set out in their guidance.

## Durham University

*(Centre for Catholic Studies)*

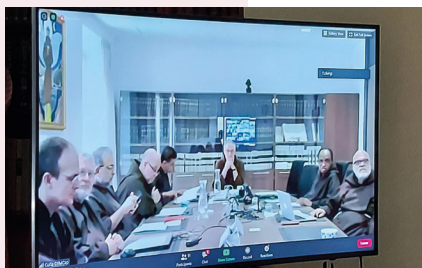
Following the recent conference held at Durham University in conjunction with the Centre of Catholic Studies (CCS), the Province is in the process of establishing a Franciscan presence at the University. The Province has over a number of years financed scholarships and assistance to the administration of CCS. The trustees, conscious of the need to ensure that the charism of the Capuchins is maintained in Great Britain, decided to provide sponsorship for a three-year Capuchin Fellow in the History of Catholicism. This was awarded to Dr Liam Temple. We believe that this sponsorship will afford us access to the public academy, thus influencing contemporary thought and practice. To further the engagement with CCS and in collaboration with a number of other Franciscan Orders it was decided to grant a financial endowment to assist in the establishment of a Chair of St Clare with Durham University. The trustees view this as an important initiative in the life of the Province and the development of charism of the Capuchins in Great Britain.

## Province of Ireland

Over many years, in accordance with Strategic Plan for the Province and with the direction of the General Minister and his Council, it was recommended that we begin a conversation







with the Province of Ireland to become a Delegation of that Province. The recommendation recognises the reality of the European context in which numbers of vocations are falling and communities are ageing, contributing to the need to ensure that the charism and the future of the Order within Europe is maintained. This will be a positive step forward in the safeguarding and development of the Capuchin Order in Northern Europe. In the original plans, the Delegation was to be promulgated at the Provincial Chapter in September 2020 by our Minister General. Due to restrictions this was delayed, but has since taken place in June 2021 by decree.

## Greyfriars (Oxford)



The friary at Oxford serves as our house of initial formation for the British and Irish Provinces. This friary also hosts some younger friars who wish to undertake further studies at the University of Oxford. The house and fraternity host many visiting academics who attend and use the facilities of the University of Oxford. There is a hope that in the future the house could be used as an international hub for the Order, allowing direct access to the University as well as Blackfriars Permanent Private Hall, which awards Pontifical Degrees. We maintain good relationships with the local clergy and religious congregations. The friars are conscious of being part of the local community and take an active part in local programmes to improve the area which is one of the most deprived in Oxford.

## Public benefit

In formulating the charity's aims and in planning the work of members of the Order, the trustees have taken into account the general guidance published by the Charity Commission on public benefit (Charity Commission 14 February 2014).

The trustees believe that the social and pastoral work of the friars demonstrates that the contribution of the friars in these areas has benefited the public. Also, in areas of retreat work and spirituality, the trustees believe that friars have influenced morals and attitudes of people and enhanced the spiritual wellbeing of those with whom they work. The trustees, by giving donations to other organisations, also demonstrate public accountability. Many of the friars dealing with the public are involved in the relief of poverty, the advancement of religion, and the advancement of education. The trustees also acknowledge that 'unquantifiables' in relation to 'public benefit' such as acts of kindness, hospitality, and mutual support are demonstrated within and beyond the Order's statutes and charism.

# Policies

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## *Safeguarding*

Along with all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves. This means that all brothers who are in any kind of ministry in Great Britain have to obtain clearance from the Disclosure and Barring Service with 'Enhanced Disclosures'. The trustees are committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Services (CSAS). Supervision is also extended to anyone who works within our ministries and those living within our fraternities for an extended period of time. Friars are encouraged to complete relevant certification courses developed by EduCare.

[educare.co.uk](http://educare.co.uk)

The trustees are aware that the policies and procedures agreed by the National Catholic Safeguarding Commission (NCSC) are now in force in England and Wales. Furthermore, the trustees signed a resolution that they would be bound by the updated policies and procedures. This is in line with the 'One Church' approach. The members of the congregation are aware of their individual responsibilities in the area of safeguarding and there are updates by our safeguarding lead who is external to the Order.

The Province is aligned to the Archdiocese of Southwark Safeguarding Commission, who would be the contact for statutory authorities. With the publication of the final report of IICSA and the Elliott Review which made a number of recommendations accepted by the Catholic Bishops Conference to change the way in which safeguarding is delivered in England and Wales. The recommendations will herald major changes in the way in which religious congregations are managed and trained.

We have on retention a safeguarding lead who is a former professional social worker working for CSAS.

A report from the charity's safeguarding lead is a standing item at trustees' meetings, and any problems raised are given a high priority.

### *Grants, donations and support of missionary work and ministry*

Grants, donations and other payments in support of missionary work and ministry are decided on by the trustees in consultation with other members of the Order as appropriate. Largely, the charity supports the work of those organisations whose work is within the objects of the charity, although the charity does not regard itself as a primarily grant-making entity and applications for grants and donations are not invited.

### *Investment policy*

Waverton Investment Management Limited has responsibility for the management of the charity's listed investments. On behalf of the charity, it holds a segregated investment portfolio comprising a mix of bonds, UK and overseas equities, common investment funds and alternative investments.

There are no legal restrictions on the charity's power to invest.

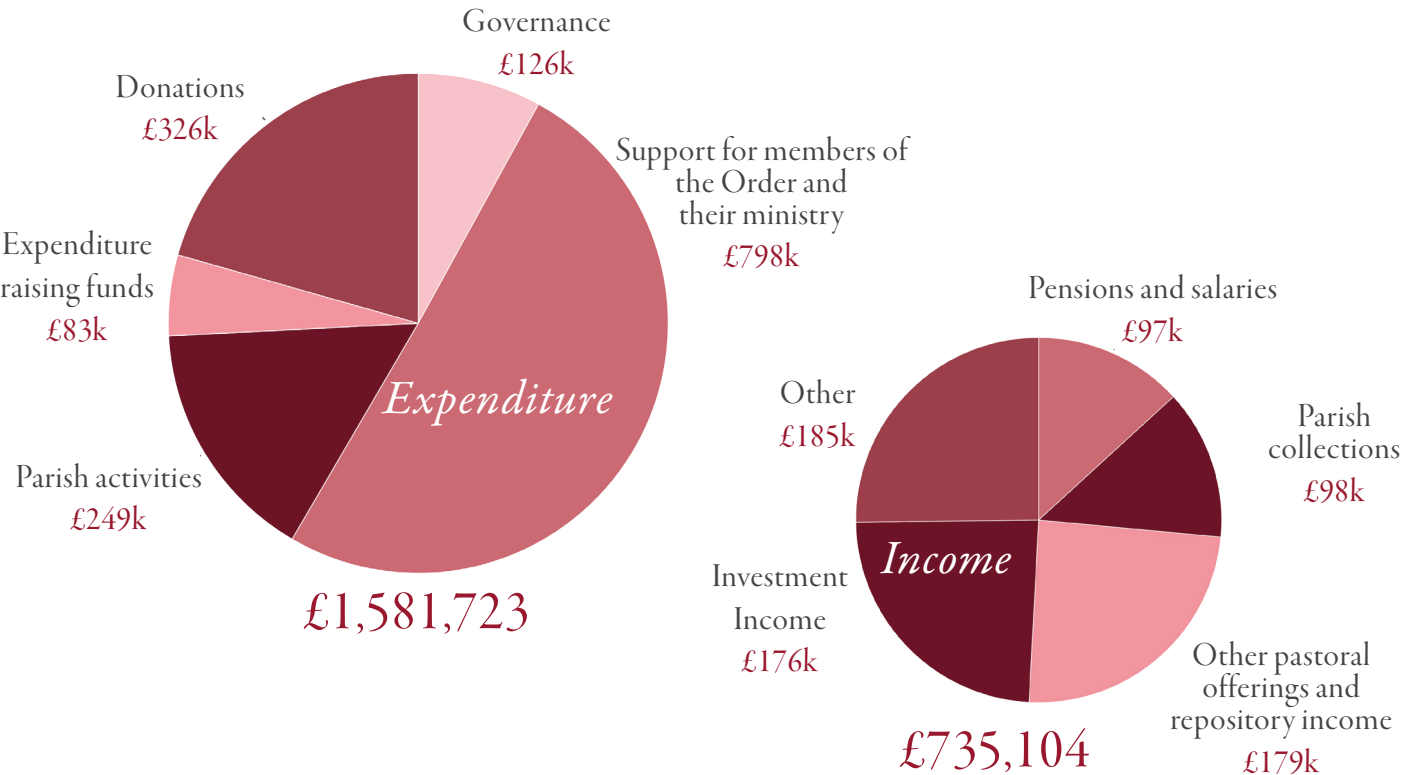
The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The policy is to achieve a balance between income and capital growth, while also avoiding investment in entities whose activities are not consistent with the objectives of the Church.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees who receive quarterly management reports from the managers, as well as regular advice from independent investment experts. Regular bi-annual meetings are attended by the Provincial Minister, a pro bono adviser and investment specialists from Portfolio Review Services.

# Financial review, plans and risk management

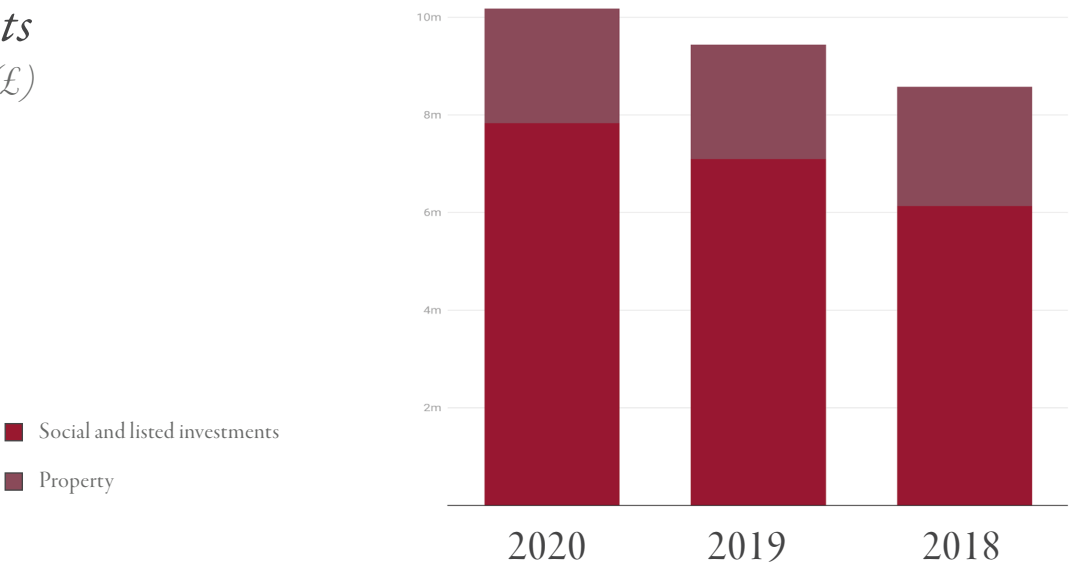
## Income and expenditure

2020 overview



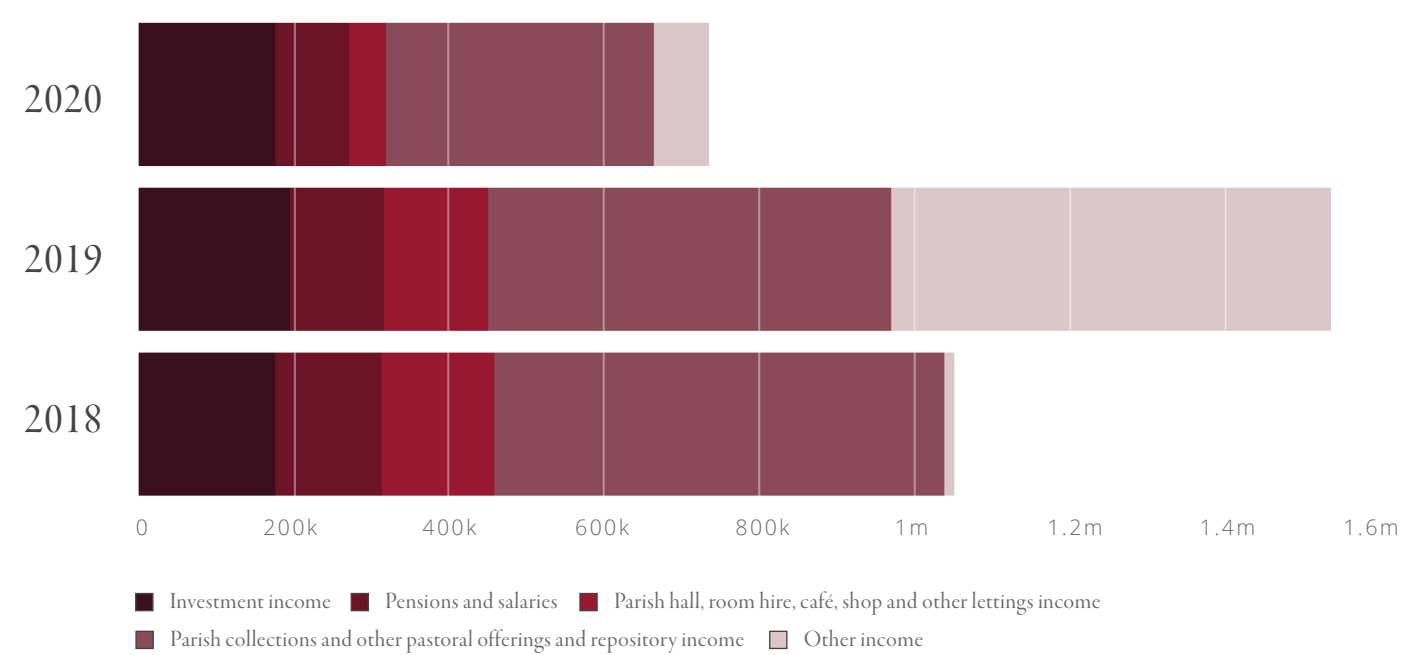
## Investments

3 year history (£)



# Income

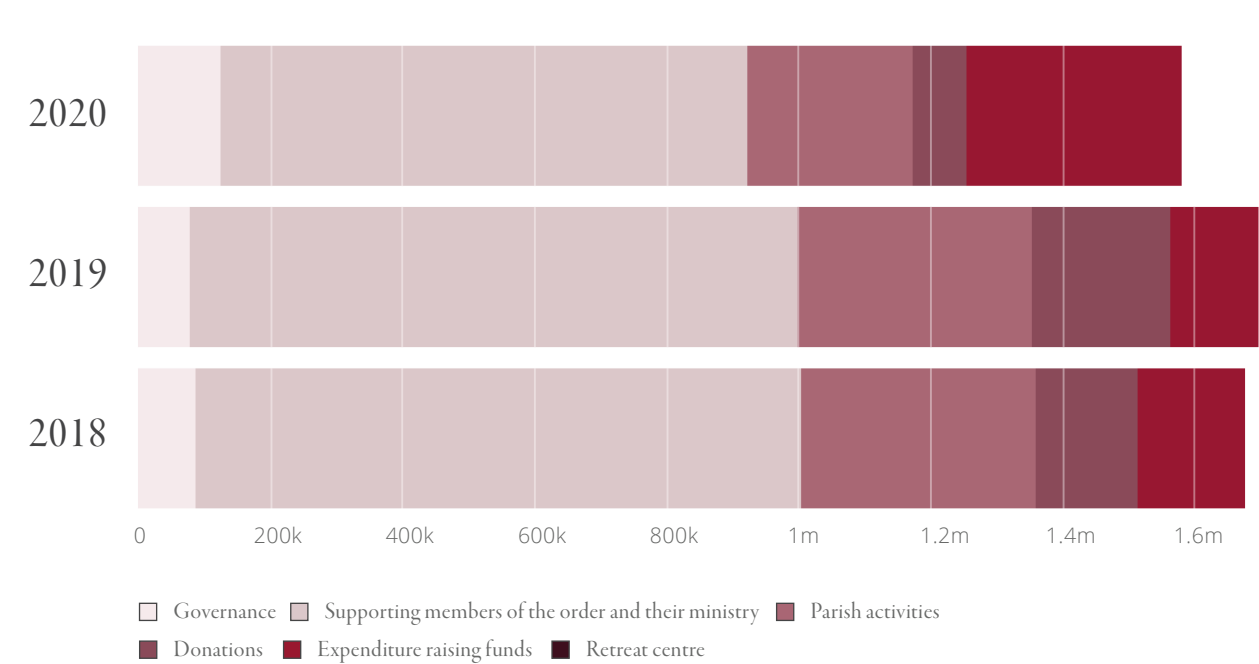
## 3 year history (£)



In 2019 the charity realised a surplus of £549k on the sale of a property in Olton.

# Expenditure

## 3 year history (£)



## *Financial report for the year*

A summary of the group's results for the year can be found on page 44 of the accounts.

Total income for the year ended 31 December 2020 amounted to £735,104 (2019 - £1,538,247). Of this total, £443,625 (2019 - £642,076) was received by way of donations and legacies. This figure includes £96,989 (2019 - £121,878) being the pensions and salaries of the friars gifted to the charity and a further £276,770 (2019 - £424,074) being pastoral offerings and repository income. It also includes legacies receivable of £500 (2019 - £1,000). Income derived from the charity's investment properties, listed investment portfolio, social investments and interest on cash balances totalled £176,209 (2019 - £194,877). The charity's trading activities, including the operation of a gift shop and café at Pantasaph, generated additional revenues for the group totalling £34,375 (2019 - £100,599). Included in total income for the year to 31 December 2019 was a surplus of £549,017 on the disposal of a property in Olton.

Total expenditure for the year ended 31 December 2020 amounted to £1,581,723 (2019 - £1,697,788). Expenditure incurred on maintaining the members of the Order and supporting them in their pastoral work and ministry amounted to £797,584 (2019 - £918,366). The expenditure on Parishes and parochial work was £249,495 (2019 - £356,784) and donations made by the charity during the year totalled £325,604 (2019 - £134,750).

The overall net expenditure for the year before gains on investments was £846,619 (2019 - £159,541). The net gains on the revaluation and disposal of the group's investments were £670,366 (2019 - £887,280) providing an overall net decrease in funds for the year or net expenditure of £176,253 (2019 - net income of £727,739).

## *Investment performance*

Waverton Investment Management Limited has responsibility for the management of the charity's listed investments. At the year-end date, the investment portfolio had a market value of £7,732,616 including cash held for investment (2019 - £6,994,060).

The total income derived from the listed investment portfolio totalled £108,716 (2019 - £129,382) representing an income yield of 1.5% (2019 - 2.0%) on the average portfolio value. The total realised and unrealised gains earned in the year were £670,366 (2019 - £986,280) reflecting a capital yield of 9.1% (2019 - 15.1%) on the average portfolio value.



The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report and in compliance with the ethical guidelines given to them.

The charity also owns four investment properties in Oxford and Pantasaph which have an estimated open market value of £2,346,000 (2019 - £2,346,000). The income derived from the letting of these properties amounted to £64,507 during the financial year (2019 - £61,311).

The charity also holds an investment with Oikocredit International Share Foundation (Oikocredit). Oikocredit is incorporated as a foundation under the laws of the Netherlands and has its registered office in Amersfoort, Netherlands. The trustees consider it to be a suitable vehicle in which to invest, being a worldwide co-operative society, promoting global justice by challenging people, churches and others to share their resources through socially responsible investments and by empowering disadvantaged people by providing them with credit. Oikocredit offers a dual return to the investor: social and financial. In addition to earning modest financial returns, investors are secure in the knowledge that their money is being used to fight poverty, promote fair trade and respect our planet's natural resources. As a result, these funds are deemed mixed motive social investments and are included on the balance sheet at cost. The cost of the funds held at 31 December 2020 was £101,210 (2019 - £101,210).

Further details of the charity's investments are given in note 14 to the attached accounts.

## *Properties*

There have been repairs and some renovation at our investment properties. The trustees take the view that we should maintain our properties to a high standard. All of our investment properties are managed by external companies, two via a Heads of Terms (Oxford) the other two via an agency (Pantasaph Cottages).

## *Reserves policy and financial position*

The group has a number of different categories of fund on its balance sheet which in total amount to £16,573,846 (2019 - £16,750,099) and includes the tangible fixed assets fund at £5,340,544 (2019 - £5,414,990) which represents the net book value of the charity's tangible fixed assets i.e. land and buildings, motor vehicles and furniture and equipment financed from unrestricted funds. About 38 percent of the total net assets owned by the charity comprise property - churches and friaries. The Order of the Friars Minor (Capuchin) Province of Great

Britain can only carry out the aims set out in the first part of this report if it has the use of such buildings.

Not only are they an essential pre-requisite for their work but certain of this property is also regarded as inalienable. It is not at the complete disposal of the charity; if the trustees were to vacate certain of this property, for example church buildings, they would regard themselves as obliged to offer it to the Bishop or some other religious order that was prepared to carry on the same work with the agreement of regulatory authorities. In these circumstances, therefore, it seems advisable to recognise the property and other essential tangible fixed assets as a separate fund rather than as an available resource.

Designated funds totalled £7,966,658 at 31 December 2020 (2019 - £8,043,978). Full details of these funds are given in note 19 to the attached accounts.

Restricted funds representing monies given to the charity for a specific purpose, or donations subject to donor imposed conditions, including Parish funds, amount to £1,018,730 (2019 - £1,084,451). Full details of these funds and an analysis of their movements during the year are given in note 17 to the attached accounts.

The non-charitable trading funds were nil (2019 – deficit of £6,603).

The free reserves available after deducting the above tangible fixed assets fund, the designated funds, the non-charitable trading funds and the restricted funds at 31 December 2020 were £2,247,914 (2019 - £2,213,283).

The trustees consider it prudent to hold an amount equivalent to six month's expenditure as a free reserve, to allow for unforeseen expenditure. The free reserves at 31 December 2020 represent approximately 17 months' expenditure which exceeds the amount required under the trustees' policy.

One identified risk to the charity was and still is the ongoing ramifications of the COVID-19 Pandemic. This risk was identified in the charity accounts last year (2019) as being of concern to the charity and its activities. The pandemic has gone on far longer than was expected, though has had the impact predicted on the restricted funds of the charity. It was decided by the trustees to monitor this situation carefully and with sensitivity to those who rely upon us for employment and outreach.

Some of the staff were returned from furlough throughout the year due to the closures, reopening and re-closures of public

spaces set out by the governments of England and Wales. The majority of the staff have returned to their positions. We continue to monitor the financial situation, and the income. The trustees continually monitor the impact on the fall of revenue to the restricted funds assessing the ability for us to continue all of our outreach programmes and the viability of the ministries. We believe that with close monitoring of the financial situation the charity are able to fulfil our commitments. In light of this, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. Given the present pandemic of COVID-19 the trustees have discussed the necessity of a higher level of free reserves. The trustees will continue to review this situation on a monthly basis and if there are any concerns, this will be discussed with our professional advisers.

The effective governance of the Charity, which combines a Religious Order (with falling numbers) with various charitable aims, is being increasingly carried out by lay staff members. Trustees are looking at the possibility of changing its governance structure through use of a CIO (Charitable Incorporated Organisation), which would allow the appointment of lay trustees.

### *Fundraising statement*

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2019, the charity received no complaints about its fundraising activities.

### *Plans for the future*

The Provincial Council (trustees) met after the Provincial Chapter to continue the process of progressing the decisions of the Chapter held in 2017. Inevitably, the decision to close the ministry of the Retreat Centre at Pantasaph (see earlier in this report) averts to a wider analysis of all of the ministries and presences of the Capuchin Province. As noted earlier in this report, the

trustees have decided to seek assistance from professional facilitators to prioritise the future direction of the Province. This will include a system planning initiative which assesses the ability of the charity to function with enhanced use of lay staff to fulfil our charism and objectives. This process, which is ongoing, will continue to assist in making realistic decisions based on our personnel and capacity.

In response to one of the priorities of the provincial Chapter – of ‘Putting out into the deep’ – the trustees are in advanced discussions with the Diocese of Hexham and Newcastle to establish a Lawrence of Brindisi Fraternity in the city of Durham. This initiative involves discussions with the General Curia and the Capuchin Conference in Rome to assist us with the required personnel for a viable fraternal life. Another initiative still under consideration is the ‘Grace and Nature’ Friary as a response to the call for a better care for the earth in Pope Francis’ encyclical *Laudato Si*.

As already reported, the change of status of our Province to come within the delegation of the Irish province will bring about changes that are as yet unseen. However, the trustees are confident that the resources necessary for this transition are well within their capabilities. They see this response to the ‘Sign of the Times’ and as a response to the call of our Holy Father, and to follow the call of St Francis, “Let Us Give thanks to the Lord”!

Other plans and strategies are outlined earlier in this report.

## *Risk management*

The trustees continue working to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments, and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. These systems are also frequently reviewed with a view to possible updates and improvements.

The key risks for the charity, as identified by the trustees, are described below together with the principal ways in which they are mitigated:

- **The rising age profile of the Province**

*The risk:* An analysis of the age profile of the Province shows that the average age at 31 December 2020 was 66.5 years. The trustees are aware that there is both a moral and

legal obligation to care for the older members. None of the members have resources of their own as all earnings, pensions, and other income have been donated to the charity under a Gift Aid-compliant Deed of Covenant. As the age profile increases, so too does the need to provide care for the members.

*The mitigation:* Key elements of the management of this risk are:

- (a) ensuring that the charity has the available financial resources to finance this care both now and in the years ahead by setting aside assets in a designated fund
- (b) ensuring that processes are in place to regularly review the ministries and needs of individual members, encouraging those who need it to take on less demanding ministries and to identify those who need extra care and help.

- **Number of friars reducing within the Province**

*The risk:* As older members die and, occasionally, younger members leave, the number of friars in the Province is reducing. Vocations to religious orders in Britain remain low, so the trustees need to plan for reduced personnel or find ways to bring in more friars.

*The mitigation:* The latter objective will be pursued by investing more effort and resources into the vocations ministry and by liaising with the General Minister in Rome for friars to be sent to Britain from Provinces richer in personnel. Even with these efforts, there will probably be a reduction in the numbers of active friars in the short to medium term, so the trustees will look to make reductions in ministerial commitments and even in the number of friaries. These considerations will be looked at in the context of our financial planning, becoming a delegation of the Irish Province and with friars arriving from Province of Warsaw, Poland and St Fidelis Province, India.

- **Working with vulnerable groups**

*The risk:* Operationally the charity works with vulnerable groups including children and the elderly. The trustees recognise the absolute necessity of ensuring the protection and safety of all those that the charity serves.

*The mitigation:* All members engaged in any ministry in Great Britain and all those who work or volunteer for the charity and work with children or vulnerable adults must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are committed fully to implementing the policies of the Catholic Safeguarding Advisory Service (CSAS). The trustees also recognise their duty of care to members

of the Order who are accused of mistreating children or vulnerable adults, and they will seek to ensure that support is given to such friars through the often protracted process of investigation.

- **Financial risks**

*The risk:* The charity donates significant sums in support of the worldwide Order and other organisations. The vast majority of donations sent overseas are to fund projects administered directly by members of the Order.

*The mitigation:* Whether or not the funds are used here in Great Britain or overseas, the trustees always ensure that they are fully briefed about and are familiar with the work of a potential recipient of funds. Funds are transferred via bank transfer, proof of receipt is obtained, and wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.

- **Property assets**

*The risk:* The charity's principal asset, apart from buildings, comprises listed investments, the value of which is dependent on movements in UK and world stock markets.

*The mitigation:* The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet bi-annually with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs – both now and in the future – and to the charity's Catholic ethos.

- **COVID-19**

*The risk:* The Trustees are aware of the viability of charities as they navigate the turmoil and uncertainty of the pandemic and restrictions in England and Wales which began on 23 March 2020.

*The mitigation:* The trustees are taking all necessary action to mitigate losses to the charity. This includes, staff being furloughed under the British Government's Scheme (Coronavirus Job Retention Scheme), liaising with the Finance Offices of the Dioceses in which we have parishes, receiving market reports from our investment managers and being attentive to the cash flow of the charity. The trustees continue to monitor this process and make informed judgements as this pandemic unfolds. The trustees recognise that the loss



of revenue to the parishes (restricted funds) is the most likely to be impacted by the virtual total loss of revenue since mid-March 2020. The security and ability of the investments and cash instruments to meet the charity's income is of some concern. However, as noted above, the charity has reserves over and above the level demanded of its reserves policy and it has investment that could be realised if needed. Hence the trustees believe the charity will be able to meet the challenges presented by the pandemic. They are also grateful to the Charity Commission's advice on holding trustees meeting via electronic platforms as an interim solution as helpful.

## *Governance*

In terms of Canon law, the Order within Britain is governed as a Province by the Provincial Minister and four councillors. The whole Province is administered by a governing body i.e. The Incorporated trustees of the Order of Friars Minor (Capuchin) Province of Great Britain (the trustees in civil law), consisting of the Provincial Minister and four councillors, elected by all the friars at the triennial chapter. The Incorporated trustees of the Order of the Friars Minor (Capuchin) Province of Great Britain are de facto the Provincial Minister and the Council.

In terms of civil law, the charity is governed by a Scheme of the Charity Commission dated 21 April 2015 and is registered with the Charity Commission, Charity Registration No 231143. As all trustees are members of the Order, they have a detailed knowledge of the work of the charity and of its structure. On being appointed, new trustees are briefed fully on their responsibilities as charity trustees.

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 3 of this annual report and accounts.

The Province comprises 22 friars in perpetual vows (this number includes two friars assigned from the Warsaw Province) and one in temporary vows, but at any time there may be friars from other parts of the world living as long-term visitors for the purpose of ministry and/or study. As already indicated we have two friars from St Fidelis Province, India who arrived in (February 2020) with the possibility of one more from the same province as well as an additional two friars from the Warsaw province.

## *Statement of trustees' responsibilities*

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

## *Structure and management reporting*

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every six weeks to review developments with regard to the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers

including property consultants, investment managers, solicitors, and accountants.

The Provincial and Council assign friars to the various friaries and Parishes served by the Order and appoint the officers needed for the administration of the whole Province. Each friary has a Guardian and a Vicar, appointed by the Provincial and Council, who have responsibility for the friars in their community. The running of each friary is discussed regularly by the whole community.

### *Key management personnel*

The trustees (including the Provincial Minister/Provincial Bursar) consider that they alone comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees (including the Provincial Minister/Provincial Bursar) are all members of the Order and whilst their living and personal expenses are borne by the charity they receive no remuneration or additional reimbursement of expenses in connection with their duties to the charity.

### *Working with other organisations*

The charity works closely with a number of other charities and public bodies which work in the fields of education and religion.

### *Employees, volunteers and members of the order*

The trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers, and the individual members of the Order. Their dedication and positive approach is very much appreciated.

Approved by the trustees and signed on their behalf by:

Trustee:

Br James Boner

Date:

13/09/2021

# Independent auditor's report

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## Independent auditor's report to the trustees of O.F.M (Capuchin) GB Charitable Trust

### *Opinion*

We have audited the accounts of O.F.M(Capuchin) GB Charitable Trust (the 'charity') and of O.F.M (Capuchin) GB Charitable Trust and its subsidiary OFM Capuchin Trading Limited (collectively the 'group') for the year ended 31 December 2020 which comprise the group statement of financial activities, the group and charity balance sheets, the group statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the group's and of the charity's affairs as at 31 December 2020 and of the groups income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group in

accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Conclusions relating to going concern*

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

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

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

### *Other information*

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

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

## *Responsibilities of trustees*

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

## *Auditor's responsibilities for the audit of the accounts*

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always



detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

How the audit was considered capable of detecting irregularities including fraud

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries with management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an

understanding of how fraud might occur, by:

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

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

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of as to actual and potential litigation and claims..

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

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

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

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

29 September 2021

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

# Group statement of financial activities

Year to 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Unrestricted funds £	Restricted funds £	Total funds 2019 £
<b>Income from:</b>							
Donations and legacies	1	166,088	277,537	443,625	213,419	428,657	642,076
Investments	2	176,086	123	176,209	194,754	123	194,877
Charitable activities	3	-	11,694	11,694	-	33,340	33,340
Other trading activities	4	34,375	-	34,375	100,599	-	100,599
Other sources	5						
Surplus and disposal of freehold land and buildings		-	-	-	549,017	-	549,017
Miscellaneous		48,333	20,868	69,201	12,107	6,231	18,338
<b>Total income</b>		<b>424,882</b>	<b>310,222</b>	<b>735,104</b>	<b>1,069,896</b>	<b>468,351</b>	<b>1,538,247</b>
<b>Expenditure on:</b>							
Raising funds	6	82,590	-	82,590	208,106	-	208,106
Charitable activities	7	1,203,014	296,119	1,499,133	1,077,457	412,225	1,489,682
<b>Total expenditure</b>		<b>1,285,604</b>	<b>296,119</b>	<b>1,581,723</b>	<b>1,285,563</b>	<b>412,225</b>	<b>1,697,788</b>
<b>Net (expenditure)/income before investment gains/(losses)</b>		<b>(860,722)</b>	<b>14,103</b>	<b>(846,619)</b>	<b>(215,667)</b>	<b>56,126</b>	<b>(159,541)</b>
Net losses on the revaluation of investment properties	14c	-	-	-	(99,000)	-	(99,000)
Net gains on the revaluation and disposal of listed investments	14a	638,333	32,033	670,366	926,716	59,564	986,280
<b>Net (expenditure)/income</b>		<b>(222,389)</b>	<b>46,136</b>	<b>(176,253)</b>	<b>612,049</b>	<b>115,690</b>	<b>727,739</b>
Transfers between funds	18	111,857	(111,857)	-	119,868	(119,868)	-
<b>Net movement in funds</b>	10	<b>(110,532)</b>	<b>(65,721)</b>	<b>(176,253)</b>	<b>731,917</b>	<b>(4,178)</b>	<b>727,739</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 January 2020		15,665,648	1,084,451	16,750,099	14,933,731	1,088,629	16,022,360
Total funds carried forward at 31 December 2020		15,555,116	1,018,730	16,573,846	15,665,648	1,084,451	16,750,099

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

All recognised gains and losses are included in the above statement of financial activities.

# Group and charity balance sheets

31 December 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
<b>Fixed assets</b>					
Tangible assets	13	5,383,322	5,442,135	5,383,322	5,442,135
Investments	14	10,179,826	9,441,270	10,179,827	9,441,271
		<b>15,563,148</b>	14,883,405	<b>15,563,149</b>	14,883,406
<b>Current assets</b>					
Stock		5,809	6,946	5,809	-
Debtors	15	22,794	31,057	22,955	31,057
Cash at bank and in hand		1,268,445	1,899,836	1,268,285	1,905,741
		<b>1,297,048</b>	1,937,839	<b>1,297,049</b>	1,936,798
<b>Creditors: amounts falling due within one year</b>	16	<b>(151,107)</b>	(71,145)	<b>(151,107)</b>	(63,502)
<b>Net current assets</b>		<b>1,145,941</b>	1,866,694	<b>1,145,942</b>	1,873,296
<b>Creditors: amounts falling due after more than one year</b>	17	<b>(135,243)</b>	-	<b>(135,243)</b>	-
<b>Total net assets</b>		<b>16,573,846</b>	16,750,099	<b>16,573,848</b>	16,756,702
<b>The funds of the charity:</b>					
Restricted funds	18	1,018,730	1,084,451	1,018,730	1,084,451
Unrestricted funds					
General funds		2,247,914	2,213,283	2,247,916	2,213,283
Tangible fixed assets fund	19	5,340,544	5,414,990	5,340,544	5,414,990
Designated funds	20	7,966,658	8,043,978	7,966,658	8,043,978
Non-Charitable trading funds		-	(6,603)	-	-
		<b>16,573,846</b>	16,750,099	<b>16,573,848</b>	16,756,702

Approved by the trustees on and signed on their behalf by:

Trustee: Br James Boner

Date: 13 September 2021



# Group statement of cash flows

Year to 31 December 2020

		2020	2019
		£	£
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(704,160)	(806,639)
<b>Cash flows from investing activities</b>			
Investment income and interest received		176,209	194,877
Purchase of tangible fixed assets		(44,710)	(31,370)
Proceeds from the disposal of freehold land & buildings		-	1,015,350
Proceeds from the disposal of tangible Fixed Assets		-	411
Proceeds from the disposal of investments		1,668,197	1,740,583
Purchase of investments		(1,634,106)	(1,662,866)
Purchase of mixed motive investments		-	(1,002)
Foreign exchange gains		9,460	-
<b>Net cash provided by investing activities</b>		<b>175,050</b>	<b>1,255,983</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(529,110)</b>	<b>449,344</b>
<b>Cash and cash equivalents at 1 January 2020</b>	B	<b>2,631,599</b>	<b>2,182,255</b>
<b>Cash and cash equivalents at 31 December 2020</b>	B	<b>2,102,489</b>	<b>2,631,599</b>

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

## A Reconciliation of net (expenditure)/income to net cash used in operating activities

	2020	2019
	£	£
<b>Net income for the year (as per the statement of financial activities)</b>	<b>(176,253)</b>	<b>727,739</b>
<b>Adjustments for:</b>		
Depreciation charge	93,335	96,265
Loss on the disposal of (expenditure)/tangible fixed assets	10,188	-
Gain on the disposal of freehold land and buildings	-	(549,017)
Net gains on the revaluation and disposal of listed investments	(670,366)	(986,280)
Net losses on the revaluation of investment properties	-	99,000
Investment income and interest receivable	(176,209)	(194,877)
Foreign exchange gains	(9,460)	-
Decrease in stock	1,137	3,442
Decrease in debtors	8,263	12,152
Increase/(decrease) in current creditors	79,962	(15,063)
Increase in long term creditors	135,243	-
<b>Net cash used in operating activities</b>	<b>(704,160)</b>	<b>(806,639)</b>

**B Analysis of cash and cash equivalents**

	2020	2019
	£	£
Cash at bank and in hand	<b>1,268,445</b>	1,899,836
Cash held by investment managers	<b>834,044</b>	731,763
<b>Total cash and cash equivalents</b>	<b>2,102,489</b>	<b>2,631,599</b>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the group and the above cash and cash equivalents.

# Principal accounting policies

31 December 2020

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

## Basis of preparation

These accounts have been prepared for the year to 31 December 2020. The comparative information reflects the financial results for the year ended 31 December 2019.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

## Basis of consolidation

The group statement of financial activities and group balance sheet consolidate the financial statements of O.F.M (Capuchin) GB Charitable Trust and its wholly owned subsidiary company, OFM Capuchin Trading Limited, made up at the balance sheet date. The results of the subsidiary undertaking are consolidated on a line-by-line basis.

No separate statement of financial activities has been presented for the charity alone as permitted by Section 24 of the Charities SORP (FRS 102).

## Critical accounting estimates and areas of judgement

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

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

- assessing the probability of the receipt of legacy income;
- the judgements made by the trustees and management in estimating the fair values attributed to the charity's investment properties;
- the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- the assessment of any impairment provision in respect to tangible fixed assets;
- the assumptions made in determining the likelihood of recovering the debtor balances;
- the assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds; and
- estimating future income and expenditure flows for the purpose of assessing the charity's going concern (see below).

## Assessment of going concern

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

In forming their assessment the trustees considered the impact of the current coronavirus pandemic on the charity's operations, with a particular focus on its effect on the charity's financial position including the charity's income, expenditure and reserves; the charity's beneficiaries; and the charity's employees. Whilst they acknowledge the disruption caused by the pandemic to the charity's day-to-day operations, the trustees do not consider this to be cause for material uncertainty in respect to the charity's ability to continue as a going concern.

The most immediate impact of the pandemic on the charity's finances has been in respect to the donations income raised at each parish, which is principally derived from collections within the church and via regular giving through standing order. Whilst the standing order income and associated Gift Aid has remained stable, the weekly church collections income has been non-existent since the government lockdown measures were introduced. The trustees believe that the income from this resource cannot be relied upon until late 2020. There has also been a fall in income from repositories, mass stipends, and pastoral work which will impact the parishes. The trustees have also taken account of the likely reduction of the charity's investment income in both 2020 and 2021.

Having said this, the trustees also acknowledge that the charity has a healthy level of reserves and, should the need arise, investments may be realised in order to generate additional liquidity. In light of this, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 December 2020, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

## Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and legacies, investment income and interest receivable, income from charitable activities, other trading income and sundry income.

Donations, including salaries and pensions of individual religious received under Gift Aid or deed of covenant, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

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

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by

the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Income from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due.

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

Income derived from the letting of the charity's investment properties and functional freehold properties is recognised as income based on the period to which the letting relates.

Income derived from the charitable activities includes income from Parish hall and room hire. Such income is measured at the fair value of the consideration received or receivable, excluding any discounts and rebates.

Income from other trading activities comprises income from the café at Pantasaph and other lettings income. Such income is accounted for on an accruals basis and measured at fair value.

A surplus in the disposal of tangible fixed assets is defined as the difference between the sale proceeds and the net book value of the asset at the time of disposal and after deducting any costs associated with the disposal. In the case of disposing of a freehold property, the surplus is recognised at the time when legal completion of the sale takes place.

Income from the Coronavirus Job Retention Scheme is credited to the statement of financial activities when the charity is entitled to the funding and the amount receivable has been quantified.

Other income is measured at fair value and accounted for on an accruals basis.

## **Services provided by members of the Order**

For the purposes of these accounts, no value has been placed on administrative and other services provided by the members of the Order.

## **Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and costs incurred in connection with the maintenance and administration of the charity's investment properties as well as the cost of supplies for the café at Pantasaph.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such

costs include charitable donations, direct and support costs in respect to the support of members of the Order and enabling their ministry expenditure in relation to the administering of four Parishes and related parochial activities. Any impairment charge in respect to tangible fixed assets is also included within expenditure on charitable activities.

Charitable donations are made where the trustees consider there is real need following a review of the details of each particular case. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable and the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Such costs are identifiable in respect to each charitable activity and hence they are allocated to the appropriate heading directly. There has been no apportionment between headings in the statement of financial activities.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Governance costs are included as part of the expenditure on charitable activities generally and not allocated out to specific activities.

### **Pension costs**

Contributions in respect of defined contribution pension schemes and contributions to employees' personal pension plans are charged to the statement of financial activities in the year in which they are payable to the scheme. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

### **Stock**

Stock comprise goods held for resale at the café and gift shop operated by the group. Stock is included in the accounts at the lower of cost price and net realisable value.

### **Tangible fixed assets**

All assets costing more than £2,500 with an expected life exceeding one year are capitalised.

#### ***Freehold land and buildings***

##### ***Parishes***

The parishes administered by the Province of Great Britain are entrusted to the Order's care by the local Bishop. Although the properties used within these parishes are owned by the charity, under Canon Law all monies collected by the parish constitute stable patrimony of the Parish and may not be used for any other purpose.

In the event of the Order ceasing its ministry in a parish, the trustees would consider either transferring such assets to the relevant diocese or allowing such assets to continue to be used indefinitely and rent free to meet the needs of the parish for a church and related accommodation. Such assets are therefore excluded from the accounts. Expenditure on



such properties is included in the Statement of Financial Activities as expenditure on parish properties.

The buildings consist of churches, certain presbyteries and Parish Halls and were constructed up to 160 years ago, with additions and improvements since. They are situated at Iffley Road, Oxford; Cuppin Street, Chester, Cheshire; Carlton Road, Erith, Kent; and Pantasaph, Holywell, Flintshire.

#### *Other land and buildings*

Both non-specialised and specialised buildings existing at 31 December 2001 and in use are shown on the balance sheet at a valuation determined by the trustees at that date with professional assistance and based on existing use. Under the transitional arrangements set out in FRS 102, this valuation is deemed to be the cost of the relevant assets as at 1 January 2014. Additions to freehold land and buildings since 1 January 2001 are stated at cost.

Non-specialised buildings are those designed as, and used wholly or mainly for, private residential accommodation. Such buildings are not depreciated. Their value and condition are reviewed annually by the trustees, to confirm whether they are satisfied that the residual value is not materially less than their book value. Where the residual value is deemed to be materially less than book value, an impairment provision is made.

Specialised buildings comprise the Order's large residential friaries and buildings used for its work. Depreciation is provided at 1% per annum on a straight-line basis on completed buildings to write the buildings off over their estimated useful economic life to the Order. The estimated useful life of such buildings is deemed to be 100 years given their age and historic nature. Buildings under construction are not depreciated until such work has been completed fully.

#### *Motor vehicles, furniture and equipment*

Such tangible fixed assets are capitalised and depreciated on a 25% reducing balance basis in order to write them off over their estimated useful lives.

Individual works of art, treasures and plate are not capitalised as they are regarded as heritage assets which are held in a manner consistent with the advancement of the 3Roman Catholic faith, have very long lives and are worth preserving indefinitely.

### **Fixed asset investments**

- Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

- Properties held for investment purposes are included in these accounts at open market value with vacant possession. The valuation has been determined by the trustees, with professional assistance.
- Mixed motive social investments are either included on the balance sheet at their fair value, or where the market price or recent transactions relating to the same asset does not provide a reliable estimate of fair value, the investment is carried at historic cost less impairment.

Realised gains (or losses) on investment listed investments and investment properties are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and

their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

## Debtors

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

## Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

## Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

## Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

## Fund structure

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets (excluding those held by individual Parishes), the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded as realisable.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Non-charitable trading funds comprise the accumulated losses on the charity's subsidiary company.

# Notes to the accounts

31 December 2020

## 1 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Donations						
Appeals	-	3,269	3,269	-	14,900	14,900
Other donations	28,278	37,819	66,097	14,831	65,393	80,224
Pensions and salaries of individual religious received under deed of covenant or Gift Aid	96,989	-	96,989	121,878	-	121,878
Pastoral offerings and repository income						
First Collection	-	102,241	102,241	-	191,014	191,014
Second Collection	-	(4,503)	(4,503)	-	2,089	2,089
Other offerings and repository income	40,821	138,211	179,032	75,710	155,261	230,971
Legacies	-	500	500	1,000	-	1,000
	<u>166,088</u>	<u>277,537</u>	<u>443,625</u>	<u>213,419</u>	<u>428,657</u>	<u>642,076</u>

## 2 Income from investments

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Income from listed investments	108,716	-	108,716	129,382	-	129,382
Income from investment property	64,507	-	64,507	61,311	-	61,311
Income from mixed motive investments	-	-	-	1,001	-	1,001
Interest receivable on cash managed by investment managers	2,863	123	2,986	3,060	123	3,183
	<u>176,086</u>	<u>123</u>	<u>176,209</u>	<u>194,754</u>	<u>123</u>	<u>194,877</u>

## 3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Parish hall and room hire	-	11,694	11,694	-	33,340	33,340
	<u>-</u>	<u>11,694</u>	<u>11,694</u>	<u>-</u>	<u>33,340</u>	<u>33,340</u>

## 4 Income from other trading activities

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Café income	21,675	-	21,675	53,872	-	53,872
Shop income	4,154	-	4,154	30,177	-	30,177
Other lettings income	8,546	-	8,546	16,550	-	16,550
	<u>34,375</u>	<u>-</u>	<u>34,375</u>	<u>100,599</u>	<u>-</u>	<u>100,599</u>

## 5 Other income

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Insurance claim	2,230	-	2,230	-	-	-
Refunds and miscellaneous	13,687	3,387	17,074	12,107	6,231	18,338
Coronavirus job retention scheme income	22,956	17,481	40,437	-	-	-
Forex Gains	9,460	-	9,460	-	-	-
	<b>48,333</b>	<b>20,868</b>	<b>69,201</b>	<b>12,107</b>	<b>6,231</b>	<b>18,338</b>

## 6 Expenditure on raising funds

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Investment management costs	48,804	-	48,804	47,416	-	47,416
Investment property costs	3,421	-	3,421	59,059	-	59,059
Staff costs	12,851	-	12,851	43,853	-	43,853
Café purchases	8,575	-	8,575	16,646	-	16,646
Shop purchases	2,207	-	2,207	14,651	-	14,651
Other direct costs	6,732	-	6,732	26,481	-	26,481
	<b>82,590</b>	<b>-</b>	<b>82,590</b>	<b>208,106</b>	<b>-</b>	<b>208,106</b>

## 7 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
<b>Support of members of the Order and their ministry</b>						
Staff costs	123,046	-	123,046	102,806	-	102,806
Premises costs	239,901	-	239,901	323,415	-	323,415
Food costs	58,200	-	58,200	44,296	-	44,296
Living and personal expenses of friars	156,001	-	156,001	211,385	-	211,385
Formation, education and vocation	36,116	-	36,116	83,047	-	83,047
Shrine and projects	-	5,988	5,988	-	7,075	7,075
Depreciation & impairment	85,172	-	85,172	93,103	-	93,103
Office expenses	63,658	-	63,658	38,504	-	38,504
Other costs	29,502	-	29,502	14,735	-	14,735
	<b>791,596</b>	<b>5,988</b>	<b>797,584</b>	<b>911,291</b>	<b>7,075</b>	<b>918,366</b>
<b>Parishes and parochial activities</b>						
Staff costs	-	33,226	33,226	-	31,569	31,569
Premises costs	-	99,184	99,184	-	154,161	154,161
Parish expenses	-	50,938	50,938	-	102,547	102,547
Hall expenses	-	24,689	24,689	-	28,423	28,423
Depreciation	-	8,163	8,163	-	3,162	3,162
Administration	-	26,282	26,282	-	27,252	27,252
Other costs	-	7,013	7,013	-	9,670	9,670
	<b>-</b>	<b>249,495</b>	<b>249,495</b>	<b>-</b>	<b>356,784</b>	<b>356,784</b>
<b>Donations (note 8)</b>	<b>284,968</b>	<b>40,636</b>	<b>325,604</b>	<b>86,384</b>	<b>48,366</b>	<b>134,750</b>
<b>Governance costs (note 9)</b>	<b>126,450</b>	<b>-</b>	<b>126,450</b>	<b>79,782</b>	<b>-</b>	<b>79,782</b>
	<b>1,203,014</b>	<b>296,119</b>	<b>1,499,133</b>	<b>1,077,457</b>	<b>412,225</b>	<b>1,489,682</b>

## 8 Donations

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Contributions to the Archdiocese/Diocese of:						
. Birmingham	-	5,627	5,627	-	6,075	6,075
. Southwark	-	27,234	27,234	-	30,300	30,300
Arise Foundation	4,000	-	4,000	-	-	-
Capuchin Friaries in Belarus	5,000	-	5,000	-	-	-
Capuchin Province of Eritrea's Mission Office in Khartoum, Sudan	11,130	-	11,130	-	-	-
Capuchin Tertiary Sisters, Sri Lanka	-	1,000	1,000	-	5,000	5,000
Catholic Trust for England and Wales (CaTEW)	-	-	-	5,000	-	5,000
Golgota, Poland	2,000	-	2,000	2,000	-	2,000
International Solidarity Fund	25,000	-	25,000	25,000	-	25,000
Kenelm Youth Trust (Archbishop of Birmingham)	5,000	-	5,000	-	-	-
Other donations payable to institutions including second collections	3,498	6,175	9,673	24,932	6,991	31,923
Rywald Friary of Spiritual Renewal, Warsaw	-	-	-	5,000	-	5,000
St John's Seminary	-	-	-	5,000	-	5,000
Synod Fruits	-	-	-	5,000	-	5,000
Team 8 Legion	4,012	-	4,012	-	-	-
University of Durham - Capuchin Franciscan Scholarship	12,500	-	12,500	14,452	-	14,452
University of Durham - Post Doctoral Thesis	200,000	-	200,000	-	-	-
VMM International	2,000	-	2,000	-	-	-
Warsaw Missions	-	600	600	-	-	-
Warsaw Province- Renovation of the Provincial Curia	8,000	-	8,000	-	-	-
	282,140	40,636	322,776	86,384	48,366	134,750
Donations to 4 individuals	2,828	-	2,828	-	-	-
	284,968	40,636	325,604	86,384	48,366	134,750

## 9 Governance costs

	Unrestricted funds	Restricted funds	Total funds 2020	Unrestricted funds	Restricted funds	Total funds 2019
	£	£	£	£	£	£
Consultancy fees	42,958	-	42,958	26,686	-	26,686
Other professional fees	83,492	-	83,492	53,096	-	53,096
	126,450	-	126,450	79,782	-	79,782

## 10 Net (expenditure)/income

	2020	2019
	£	£
This is stated after charging:		
Staff costs (note 11)	169,123	178,228
Auditor's remuneration (including VAT)		
. Statutory audit services	21,600	25,620
. Non-audit services	9,162	9,262
Impairment		-
Depreciation (note 13)	93,335	96,265

## 11 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	160,479	165,290
Social security costs	2,789	7,511
Pension	5,855	5,427
	169,123	178,228

The average number of employees during the year, analysed by function, was as follows:

	Number	Number
Retreat Centre	2	2
Support	9	9
Shop, Cafe and Retreat Centre	5	5
	16	16

No employee earned more than £60,000 per annum (including taxable benefits but excluding employer pension contributions) during the year (2019 - none).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees (including the Provincial Minister/Provincial Bursar). The key management personnel of the subsidiary company comprise the directors.

The trustees, Provincial Minister and Provincial Bursar are all members of the Order and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties to the charity (2019 – £nil).

## 12 Taxation

Order of Friars Minor (Capuchin) Province of Great Britain Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

The subsidiary company is subject to corporation tax on its taxable profits. No taxation charge arises during the year because of the existence of losses to offset any such charge.



### 13 Tangible fixed assets

	Freehold land and buildings			Total
	Specialised	Non specialised	Motor vehicles, furniture & equipment	
Group and charity	£	£	£	£
<b>Cost or valuation</b>				
At 1 January 2020	6,285,686	305,913	807,891	<b>7,399,490</b>
Additions	-	-	44,710	<b>44,710</b>
Disposals	-	-	(19,051)	<b>(19,051)</b>
At 31 December 2020	<b>6,285,686</b>	<b>305,913</b>	<b>833,550</b>	<b>7,425,149</b>
Cost	1,961,353	18,913	833,550	<b>2,813,816</b>
Valuation – 2001	4,324,333	287,000		<b>4,611,333</b>
	<b>6,285,686</b>	<b>305,913</b>	<b>833,550</b>	<b>7,425,149</b>
<b>Depreciation</b>				
At 1 January 2020	1,196,047	54,840	706,468	<b>1,957,355</b>
Charge for year	62,857	-	30,478	<b>93,335</b>
Disposals	-	-	(8,863)	<b>(8,863)</b>
At 31 December 2020	<b>1,258,904</b>	<b>54,840</b>	<b>728,083</b>	<b>2,041,827</b>
<b>Net book values</b>				
At 31 December 2020	<b>5,026,782</b>	<b>251,073</b>	<b>105,467</b>	<b>5,383,322</b>
At 31 December 2019	5,089,639	251,073	101,423	<b>5,441,135</b>

The Parishes administered by the Province of Great Britain are entrusted to the Order's care by the local Bishop. Although the properties used within these Parishes are owned by the charity, under Canon Law all monies collected by the Parish constitute stable patrimony of the Parish and may not be used for any other purpose.

In the event of the Order ceasing its ministry in a Parish, the trustees would consider themselves obliged to allow such assets to continue to be used indefinitely and rent free to meet the needs of the Parish for a church and related accommodation. Such assets are therefore excluded from the accounts. Expenditure on such properties is included in the Statement of Financial Activities when incurred.

The buildings consist of churches, presbyteries and Parish halls and were constructed up to 100 years ago, with additions and improvements since. They are situated at Iffley Road, Oxford; Cuppin Street, Chester, Cheshire; Carlton Road, Erith, Kent; and Pantasaph, Holywell, Flintshire.

The book value of other specialised and non-specialised land and buildings held at 31 December 2001 is based on a trustees' valuation made in 2001 with professional assistance and under the transitional arrangements set out in FRS 102 is deemed to be equal to cost. Subsequent additions and other tangible fixed assets are stated at cost.

It is likely that there are material differences between the open market values of the charity's other land and buildings and their book values. These arise from the specialised nature of some properties and the effects of inflation. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of trustees, is not justified in terms of the benefit to the users of the accounts.

Other tangible fixed assets are stated at cost.

14 Investments	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Listed investments	<b>7,732,616</b>	6,994,060	<b>7,732,616</b>	6,994,060
Social Investment	<b>101,210</b>	101,210	<b>101,210</b>	101,210
Investment properties	<b>2,346,000</b>	2,346,000	<b>2,346,000</b>	2,346,000
Investment on subsidiary company	-	-	<b>1</b>	1
	<b>10,179,826</b>	9,441,270	<b>10,179,827</b>	9,441,271

	2020	2019
	£	£
<b>a) Listed investments and cash held for reinvestment</b>		
Market value at 1 January 2020	6,262,297	5,353,734
Additions at cost	1,634,106	1,662,866
Disposal proceeds	(1,668,197)	(1,740,583)
Realised gains/(losses)	(117,144)	(131,427)
Disposals at opening book value	(1,785,341)	-
		(1,872,010)
Net unrealised gains	787,510	1,117,707
Market value at 31 December 2020	6,898,572	6,262,297
Cash held by investment manager for re-investment	834,044	731,763
	7,732,616	6,994,060
Cost of listed investments at 31 December 2020	4,976,662	4,868,712

**Listed investments held at 31 December 2020 comprised the following:**

	2020	2019
	£	£
Bonds	699,297	624,697
UK equities	399,519	374,997
Overseas equities	5,021,675	4,694,278
Alternative investments	778,081	568,325
	6,898,572	6,262,297

No individual investment held at 31 December 2020 is considered to be significant in the context of the aggregate value of listed investments at the same date.

**b) Mixed motive social investments**

	2020	2019
	£	£
At 1 January 2020	101,210	100,208
Additions at cost	-	1,002
At 31 December 2020	101,210	101,210

The mixed motive social investment represent deposits with Oikocredit International Share Foundation (Oikocredit). Oikocredit is incorporated as a foundation under the laws of the Netherlands and has its registered office in Amersfoort, Netherlands. The trustees consider it to be a suitable vehicle in which to invest, being a world-wide co-operative society, promoting global justice by challenging people, churches and others to share their resources through socially responsible investments and by empowering disadvantaged people by providing them with credit. Oikocredit offers a dual return to the investor: social and financial. In addition to earning modest financial returns, investors are secure in the knowledge that their money is being used to fight poverty, promote fair trade and respect our planet's natural resources. As a result, these funds all of which were acquired during the year, are deemed a mixed motive social investment and are included on the balance sheet at cost. Dividends earned from the investment during the year of £nil (2019 - £1,002) were wholly re-invested.

### c) Investment properties

	2020	2019
	£	£
<b>Investment properties</b>		
Market value at 1 January 2020	2,346,000	2,445,000
Net unrealised losses	-	(99,000)
Market value at 31 December 2020	2,346,000	2,346,000

Investment properties comprise land and buildings of Scotus House, 167 Iffley Road, Oxford; Brindisi House, 184 Iffley Road, Oxford; St Philomena's, Monastery Road, Pantasaph, Holywell; and St Philip's, Monastery Road, Pantasaph, Holywell.

The properties are included on the balance sheet at an estimate of their open market value with vacant possession. The two properties situated in Oxford were valued with professional assistance during the year ended 31 December 2019 and the two properties situated in Holywell were valued with professional assistance during the year ended 31 December 2018, and the above carrying value reflects the valuation provided as at that date. The trustees are of the opinion that there has been no material permanent change in the value of these properties since the respective valuations but accept that there may have been a temporary impact as a result of the impact of the Covid-19 pandemic on property prices generally.

### d) Investment in subsidiary company

The charity holds 100% of the issued share capital of £1 of OFM Capuchin Trading Limited. This holding was acquired on incorporation of the company on 24 January 2018.

The following is a summary of the financial statements of OFM Capuchin Trading Limited for the year ended 31 December 2020, which have been included in the consolidated accounts. Comparative information reflects the activity between 24 January 2018, the date of incorporation, and 31 December 2020.

	2020	2019
	£	£
<b>Turnover</b>	37,191	84,049
Cost of sales	(10,782)	(31,297)
<b>Gross profit</b>	26,409	52,752
Operating costs	(19,806)	(58,348)
<b>Net profit/(loss) for the year</b>	6,603	(5,596)
Accumulated losses at 1 January 2020	(6,603)	(1,007)
<b>Accumulated losses at 31 December 2020</b>	-	(6,603)

The aggregate of the capital and reserves of the company at 31 December 2020 was £nil.

Further to the effects of the coronavirus pandemic and in light of a wider ongoing consideration by the trustees of the parent charity in respect to its future involvement in the geographic area of Pantasaph, the director of the company resolved to wind down the company during this financial period.

### 15 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Tax recoverable on Gift Aid donations	22,794	22,305	22,794	22,305
Prepayments and other debtors	-	8,752	-	8,752
Amounts owed to subsidiary undertakings	-	-	161	-
	22,794	31,057	22,955	31,057

**16 Creditors: amounts falling due within one year**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Accruals and other creditors	86,350	71,145	86,350	63,245
Grants and donations payable	64,757	-	64,757	-
Amounts owed to subsidiary undertakings	-	-	-	257
	<b>151,107</b>	<b>71,145</b>	<b>151,107</b>	<b>63,502</b>

**17 Creditors: amounts falling due in more than one year**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Grants and donations payable	135,243	-	135,243	-
	<b>135,243</b>	<b>-</b>	<b>135,243</b>	<b>-</b>

Grants payable relate wholly to amounts awarded to the University of Durham during the year ended 31 December 2020 of which £64,757 was paid during the year ending 31 December 2021 (and included within note 16 to the accounts) with a further £64,757 payable in 2022 and a final instalment of £64,757 payable in 2023.

**18 Restricted funds**

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

	At 1 January 2020	Income and investment gains	Expenditure and transfers	At 31 December 2020
Group and charity	£	£	£	£
Parish funds	951,520	333,141	(386,920)	897,741
Capuchin Missions fund	22,103	4,358	(1,600)	24,861
National Shrine of Saint Pio fund	34,406	454	(5,988)	28,872
Secular Franciscan Order fund	365	-	-	365
Charity fund	40,499	-	(5,129)	35,370
Mary Barrett Legacy fund	20,240	-	(7,890)	12,350
Pious Union	6,242	2,209	-	8,451
SAG	1,332	400	(150)	1,582
Other funds	7,744	1,693	(299)	9,138
	<b>1,084,451</b>	<b>342,255</b>	<b>(407,976)</b>	<b>1,018,730</b>

	At 1 January 2019	Income and investment gains	Expenditure and transfers	At 31 December 2019
Group and charity	£	£	£	£
Parish funds	961,434	496,013	(505,927)	951,520
Capuchin Missions fund	15,660	11,739	(5,296)	22,103
National Shrine of Saint Pio fund	39,559	1,922	(7,075)	34,406
Secular Franciscan Order fund	595	-	(230)	365
Charity fund	38,591	6,482	(4,574)	40,499
Mary Barrett Legacy fund	32,790	-	(12,550)	20,240
Pious Union	-	6,242	-	6,242
SAG	-	2,400	(1,068)	1,332
Other funds	-	3,117	4,627	7,744
	<b>1,088,629</b>	<b>527,915</b>	<b>(532,093)</b>	<b>1,084,451</b>

## Restricted funds cont.

The specific purposes for which those funds with significant balances at 31 December 2020 are to be applied are as follows:

“ Parish funds

Parish funds comprise monies to be applied towards specific parishes and parochial activities. The transfers from restricted parish funds to unrestricted funds represent the reimbursement of expenditure charged against the unrestricted funds in respect to parochial activities and duties by members of the order.

“ Capuchin Missions fund

The Capuchin missions fund consists of donations given to support missionary and other work carried out by members of the Order overseas.

“ National Shrine of Saint Pio fund

This fund is for the upkeep of the Shrine together with the running of the Pilgrimage Hall.

“ Secular Franciscan Order fund

This fund provides resources for specialism in the spirituality of St Francis in conjunction with the normal Christian way of life.

“ Charity fund

This fund comprises money collected specifically for distribution in order to assist the starving people of the world.

“ Mary Barrett Legacy fund

This fund comprises of a legacy from the estate of Mary Barrett deceased which is to be applied towards the celebration of Mass.

“ Pious Union and St. Anthony's Guild (SAG) restricted funds are for Formation (education of students). The funds received should be applied to the Formation fund.

“ This fund comprises of a variety of funds no greater than £1,000 for each area.

## 19 Tangible fixed assets fund

	2020	2019
	£	£
Group and charity		
At 1 January 2020	5,414,990	5,967,458
Net movement in year	(74,446)	(552,468)
At 31 December 2020	5,340,544	5,414,990

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets other than the assets of the parishes, which are included in restricted funds. A decision was made to separate this fund from the general funds of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as such their value should not be regarded as funds that might be realisable with ease, in order to meet future contingencies.

## 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

Group and charity At 31 December 2020	At 1 January 2020 £	New designations	Utilised or released £	At 31 December 2020 £
Care of elderly and infirm friars fund	6,000,000	-	-	6,000,000
Donations fund	2,043,978	-	(77,320)	1,966,658
	<b>8,043,978</b>	<b>-</b>	<b>(77,320)</b>	<b>7,966,658</b>
Group and charity At 31 December 2019	At 1 January 2019 £	New designations	Utilised or released £	At 31 December 2019 £
Care of elderly and infirm friars fund	6,000,000	-	-	6,000,000
Donations fund	2,093,441	-	(49,463)	2,043,978
	<b>8,093,441</b>	<b>-</b>	<b>(49,463)</b>	<b>8,043,978</b>

The purposes for which these funds have been set aside are as follows:

" Care of elderly and infirm friars fund

This fund comprises monies set aside to finance the care of elderly friars, in particular those who are infirm.

" Donations fund

This fund comprises monies set aside to finance donations to other organisations and, in particular, the overseas missions of the Order.



## 21 Analysis of net assets between funds

	General funds	Non charitable trading funds	Tangible fixed asset funds	Designated funds	Restricted funds	Total 2020
Group	£	£	£	£	£	£
<b>Fund balances at 31 December 2020 are represented by:</b>						
Tangible fixed assets			5,340,544		42,778	5,383,322
Investments	1,853,204	-	-	7,966,658	359,964	10,179,826
Net current assets	529,953	-	-		615,988	1,145,941
Non-current liabilities	(135,243)	-	-	-	-	(135,243)
<b>Total net assets</b>	<b>2,247,914</b>	<b>-</b>	<b>5,340,544</b>	<b>7,966,658</b>	<b>1,018,730</b>	<b>16,573,846</b>
	General funds	Non charitable trading funds	Tangible fixed asset funds	Designated funds	Restricted funds	Total 2019
Group	£	£	£	£	£	£
<b>Fund balances at 31 December 2019 are represented by:</b>						
Tangible fixed assets			5,141,990		27,145	5,169,135
Investments	1,069,360	-	-	8,043,978	327,932	9,441,270
Net current assets	1,143,923	(6,603)	-		729,374	1,866,694
<b>Total net assets</b>	<b>2,213,283</b>	<b>(6,603)</b>	<b>5,141,990</b>	<b>8,043,978</b>	<b>1,084,451</b>	<b>16,477,099</b>
	General funds	Non charitable trading funds	Tangible fixed asset funds	Designated funds	Restricted funds	Total 2020
Charity	£	£	£	£	£	£
<b>Fund balances at 31 December 2020 are represented by:</b>						
Tangible fixed assets	-	-	5,340,544	-	42,778	5,383,322
Investments	1,853,205	-	-	7,966,658	359,964	10,179,827
Net current assets	529,954	-	-	-	615,988	1,145,942
Non-current liabilities	(135,243)	-	-	-	-	(135,243)
<b>Total net assets</b>	<b>2,247,916</b>	<b>-</b>	<b>5,340,544</b>	<b>7,966,658</b>	<b>1,018,730</b>	<b>16,573,848</b>
	General funds	Non charitable trading funds	Tangible fixed asset funds	Designated funds	Restricted funds	Total 2019
Charity	£	£	£	£	£	£
<b>Fund balances at 31 December 2019 are represented by:</b>						
Tangible fixed assets	-	-	5,141,990	-	27,145	5,169,135
Investments	1,069,361	-	-	8,043,978	327,932	9,441,271
Net current assets	1,143,922	-	-	-	729,374	1,873,296
<b>Total net assets</b>	<b>2,213,283</b>	<b>-</b>	<b>5,141,990</b>	<b>8,043,978</b>	<b>1,084,451</b>	<b>16,483,702</b>

The total unrealised gains as at 31 December 2020 constitutes movements on revaluation and are as follows:

	2020	2019
	£	£
<b>Unrealised gains (losses) included above:</b>		
On listed investments	2,061,070	1,393,585
On investment properties	1,613,872	1,613,872
<b>Total unrealised gains (losses) at 31 December 2020</b>	<b>3,674,942</b>	<b>3,007,457</b>
<b>Reconciliation of movements in unrealised gains (losses)</b>		
Unrealised gains at 1 January 2020	3,007,457	2,228,104
Less: in respect to disposals in the year	(120,025)	(239,354)
	2,887,432	1,988,750
Add: net gains (losses) arising on revaluation of Listed Investments	787,510	1,117,707
Add: net losses arising on revaluation of Investment Properties	-	(99,000)
<b>Total unrealised gains at 31 December 2020</b>	<b>3,674,942</b>	<b>3,007,457</b>

## 22 Ultimate control

The charity was controlled throughout the year by the British Province of the Order of Friars Minor (Capuchin), members of which elect the Provincial Minister and the four councillors all of whom are trustees of the charity under civil law. The Province does not hold any assets, incur liabilities or enter into any transactions in its own right. Responsibility for the stewardship of the assets of the Province is vested in the trustees of the charity, who undertake all transactions entered into in the course of the Province's charitable activities.

## 23 Related party transactions

The total value of donations made by the trustees and the Provincial Bursar to the charity during the year was £8,893 (2019 - £8,900), being pensions and salaries donated to the charity under Gift Aid.

The charity incurred £12,851 (2019 £43,853 of staff costs on behalf of its trading subsidiary, OFM Capuchin Trading Limited, in the year ended 31 December 2020. As at 31 December 2020, the charity owed its subsidiary £160 (2019: creditor of £257) .

There were no other related party transactions requiring disclosure during the financial year (2019 – none).

## 24 Operating lease commitments

As at 31 December 2020, the charity had commitments under non-cancellable operating leases in respect of equipment as follows:

	2020	Other 2019
	£	£
Operating leases which expire:		
Less than one year	-	3,885
Within two to five years	-	-
	<u>-</u>	<u>3,885</u>

## 25 Capital Commitments

At 31 December 2020 there were no capital commitments. At the 31 December 2019 the trustees had approved certain improvement work to the charity's property in Pantasaph with an estimated value of £40,000 that had been contracted for but not provided for in the accounts.



Design: Treasures Old and New Ltd

Images: Thanks to those involved in the work of the province and others for sharing images for use in this report.



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