

DOWNSIDE ABBEY MISSION TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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DOWNSIDE ABBEY MISSION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev Nicholas Philip Wetz (Abbot) (Controller of the Trust) Rev Martin Joseph Blanco Hood Rev Marc David Brumwell Rev John Barrett Rev David Roger Charlesworth
Charity number	232550
Independent examiner	Old Mill Accountancy LLP Bishopbrook House Cathedral Avenue WELLS Somerset BA5 1FD
Bankers	Barclays Bank Plc PO Box 2156 1 Manvers Strees BATH BA1 1JZ
Solicitors	Stone King LLP 13 Queen Square BATH Somerset BA1 2HJ

DOWNSIDE ABBEY MISSION TRUST

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DOWNSIDE ABBEY MISSION TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and independently examined accounts for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Trust Deed allows for the pursuit of such charitable purposes connected with the Roman Catholic Church as the Trustees, in their discretion and with the written consent of the controller, being the Abbot of Downside, think fit.

The Charity effects the running of parishes which are the financial and pastoral responsibility of Downside Abbey, and is responsible for the maintenance, refurbishment and possible rebuilding of the churches, presbyteries and halls of these parishes, and for the maintenance of the priests serving them.

The amounts of grants and donations payable are considered in light of the level of reserves available. Grants and donations from central funds are authorised by the Charity Trustees. Smaller grants and donations payable by the individual parishes are generally left to the discretion of the parish priest involved. However, this is reviewed periodically by the Trustees. Second collections are taken throughout the year for specific charities and funds as per Diocesan guidelines. In addition, the charity supports the parish schools at Bungay and Beccles.

Achievements and performance

In 2020-21, the Charity's activities and performance, like so many other charities, were badly affected by the global pandemic, COVID-19. In March, churches were closed by order of the government, which had a significant effect on parish activity and of course, income and collections. The re-opening of churches from July with restricted numbers alleviated some of the problem but parishes are still suffering from reduced income, which is unlikely to return to pre-pandemic levels for a considerable time. The parish of St Benedict's, Stratton on the Fosse, was able (and continues to use) the much larger Downside Abbey for two of its Sunday Masses, but their own church remains closed. The early 'lockdowns' of 2020 prevented many of the usual parish activities from taking place especially clergy visits to the sick and aged in their homes. However, parishes were able to use social media and telephone ministry to continue to inform and stay in touch with many of their parishioners.

All the parishes continue to support a wide variety of charities that work both in the UK and abroad but to a reduced degree in 2020. They also support and work with the disadvantaged who live locally. Much of this work is done in conjunction with other Churches and institutions.

In September, the Trustees decided to relinquish the incorporated parish of St Wulstan's, Little Malvern. After consultation with other Benedictine Houses and the Archdiocese of Birmingham, the ownership and pastoral care of the parish passed to the Belmont Abbey Mission Trust on 31 December 2020.

Public Benefit

The Trustees confirm that they have complied with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

DOWNSIDE ABBEY MISSION TRUST

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Total net outgoing resources for the year amounted to £308,533 (2019: incoming £26,724). Collections and fundraising income has decreased by £28,462 to £167,318 (2019: £195,780). Charitable expenditure has decreased by £623,735 to £507,894 (2019: £1,131,629). Expenditure during the year ended 31 December 2019 included £902,568 payable to Downside Abbey General Trust in respect of chapels sold up to 31 December 2019. Expenditure during the current year includes £314,517 transferred to Belmont Abbey (shown as grant paid) in relation to the transfer of the Little Malvern parish. Included in the total are restricted net outgoing resources of £11,881 (2019: incoming £7,451).

The Charity's balance sheet shows a satisfactory position with funds amounting to £744,539 (2019:£1,053,072). Included within the Charity's assets are fixed asset investments totalling £250,000 (2019:£250,000). All investments held by the Charity have been acquired in accordance with the powers available to the Trustees.

Reserves

Notes 17 to 20 to the financial statements show the assets and liabilities attributable to the various funds by type and also show the various trusts of the Charity and summarise the year's movement in each fund.

The reserves of the Charity at the year end that are freely available for charitable use are as follows:-

	2020	2019
	£	£
Total reserves as at 31 December	744,539	1,053,072
Less:		
Permanent Endowment Funds	(11,373)	(11,373)
Restricted Funds	(1,840)	(13,721)
Tangible Fixed Assets used for charitable purposes forming part of Unrestricted Funds	(271,290)	(495,381)
Free Reserves of the Charity	<u>460,036</u>	<u>532,597</u>

The level of free reserves has increased. It is more useful to express the level of reserves in terms of months recurring unrestricted expenditure. This is difficult due to the large fluctuations in the costs of maintaining the Charity's properties. Assuming a recurring annual maintenance cost of £50,000 the free reserves represent approximately 27 months recurring expenditure (2019:26 months). The Trustees are satisfied that there are adequate reserves to meet day to day expenditure. However, the Charity has four churches the majority of which are old buildings requiring substantial maintenance and potential replacement. Additional sources of funds would have to be found to carry out major renovation projects.

The Trustees are permitted by the terms of the Trust Deed to make investments in any manner allowed by law for trust money.

The investments are held entirely in bank deposits to provide minimum risk.

Corporate Governance and Risk Management

Downside Abbey Missions Trust and its Board of Trustees are committed to high standards of corporate governance.

The Trustees have examined the principal areas of the Trust's operations and considered the major risks faced in each of these areas.

In the opinion of the Trustees the Charity has established resources and review systems which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operations.

DOWNSIDE ABBEY MISSION TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for the future

The Trustees hope that with the passing of the worst phases of the COVID pandemic, parish life will slowly return to a more normal practice. However, the Trustees and Parish Priests will continue to exercise caution to ensure that the welfare of parishioners, visitors and clergy are paramount. One of our priorities will be to resume the different pastoral and educational programmes within the parishes as soon as possible. It will also be necessary to work with parish committees to strengthen the finances that have been so badly affected during these difficult times.

The Trustees will also continue to assess their ability to care for their mission parishes as the number of clergy and parishioners decline.

Structure, governance and management

Downside Abbey Missions Trust was constituted by Trust Deed in May 1932 as amended by Deed of Variation dated 6 October 2009; it is a registered charity, number 232550.

The Trustee of Downside Abbey Missions Trust is The Downside Abbey (commonly known as the £50 Trust), being an incorporated body of Trustees and registered charity number 232549.

The following monks made up the Board of Trustees:

Rev Nicholas Philip Wetz (Abbot)(Controller of the Trust)

Rev Martin Joseph Blanco Hood

Rev Marc David Brumwell

Rev John Barrett

Rev David Roger Charlesworth

Organisational structure

The principal activity of the Charity is to manage and administer the capital funds, deposits and financial transactions of the following Roman Catholic parishes in the furtherance of the objects of the Trust Deed.

Stratton on the Fosse

Beccles

Bungay

Parish priests are responsible to the Trustees for the running of their parish accounts. The Trustees authorise grants and loans out of the Central funds to the parishes.

Management

The Controller of the Trust, being the Abbot of Downside, has absolute discretion over the appointment and removal of Trustees of The Downside Abbey General Trust (commonly known as The £50 Trust). The number of Trustees shall be no fewer than four and no more than twenty.

The practice is for the Monastic Community to select certain of its members to be Trustees and for the others to be appointed by the Abbot. It is also possible for up to three Trustees, who need not be members of the Downside Community, to be appointed by the Abbot President of the English Benedictine Congregation.

DOWNSIDE ABBEY MISSION TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Connected Entities

The following entities are connected to Downside Abbey Missions Trust:-

Downside Abbey General Trust, Downside Abbey, Stratton-on-the-Fosse, Bath, BA3 4RH (Charity Number 232548).

Downside Abbey General Trust (A Company Limited by Guarantee), Downside Abbey, Stratton-on-the-Fosse, Bath, BA3 4RH (Charity Number 1158507).

Downside Enterprise Limited, Downside Abbey, Stratton-on-the-Fosse, Bath, BA3 4RH (Company Number 02456168)

The above entities are controlled by The Downside Abbey (commonly known as The £50 Trust) being an incorporated body of Trustees (Charity Number 232549). The assets of Downside Abbey General Trust are held separately from those of Downside Abbey Missions Trust.

Statement of trustees responsibilities

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

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

In preparing these financial statements, the trustees are required to:

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

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

The trustees report was approved by the Board of Trustees.

Rev Nicholas Philip Wetz (Abbot)(Controller of the Trust)

Trustee

Dated: 28 September 2021

DOWNSIDE ABBEY MISSION TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DOWNSIDE ABBEY MISSION TRUST

I report on the financial statements of the Charity for the year ended 31 December 2020, which are set out on pages 7 to 23.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

DOWNSIDE ABBEY MISSION TRUST

INDEPENDENT EXAMINER'S REPORT (CONTINUED) TO THE TRUSTEES OF DOWNSIDE ABBEY MISSION TRUST

Tim Lerwill, FCA
Old Mill Accountancy LLP
Bishopbrook House
Cathedral Avenue
WELLS
Somerset
BA5 1FD

Dated: 11 October 2021

DOWNSIDE ABBEY MISSION TRUST

STATEMENT OF FINANCIAL ACTIVITIES **FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>						
Donations and legacies	3	156,637	24,376	-	181,013	217,089
Investments	4	12,616	-	3	12,619	17,318
Other income	5	5,729	-	-	5,729	923,946
Total income and endowments		174,982	24,376	3	199,361	1,158,353
<u>Expenditure on:</u>						
Charitable activities	6	471,637	36,257	-	507,894	1,131,629
Net (outgoing)/incoming resources before transfers		(296,655)	(11,881)	3	(308,533)	26,724
Gross transfers between funds		3	-	(3)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(296,652)	(11,881)	-	(308,533)	26,724
Fund balances at 1 January 2020		1,027,978	13,721	11,373	1,053,072	1,026,348
Fund balances at 31 December 2020		731,326	1,840	11,373	744,539	1,053,072

DOWNSIDE ABBEY MISSION TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11	271,290		495,381	
Investment properties	12	250,000		250,000	
		<u>521,290</u>		<u>745,381</u>	
Current assets					
Debtors	14	8,999		6,351	
Investments	15	102,844		102,519	
Cash at bank and in hand		123,128		263,380	
		<u>234,971</u>		<u>372,250</u>	
Creditors: amounts falling due within one year	16	(11,722)		(64,559)	
Net current assets		223,249		307,691	
Total assets less current liabilities		<u><u>744,539</u></u>		<u><u>1,053,072</u></u>	
Capital funds					
Endowment funds	17	11,373		11,373	
Income funds					
Restricted funds	18	1,840		13,721	
Unrestricted funds		731,326		1,027,978	
		<u><u>744,539</u></u>		<u><u>1,053,072</u></u>	

The accounts were approved by the Trustees on 28 September 2021

Rev Nicholas Philip Wetz (Abbot)(Controller of the Trust)
Trustee

DOWNSIDE ABBEY MISSION TRUST

STATEMENT OF CASH FLOWS **FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	22		(361,596)		(69,990)
Investing activities					
Purchase of tangible fixed assets		(10,897)		(367)	
Proceeds on disposal of tangible fixed assets		5,000		-	
Transfer of tangible fixed assets		214,622		-	
Interest received		12,619		17,318	
Net cash generated from investing activities			221,344		16,951
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(140,252)		(53,039)
Cash and cash equivalents at beginning of year			263,380		316,419
Cash and cash equivalents at end of year			123,128		263,380

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Downside Abbey Mission Trust is a registered charity. Its principle office is Downside Abbey, Stratton-on-the-Fosse, Radstock, BA3 4RH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

In light of the current coronavirus pandemic, the trustees have reviewed likely future developments and remain of the opinion that there is no reason to believe that the charity will have to cease operation as a result of inadequate financial resources, or any other foreseeable event, within a period of at least 12 months from the date of the approval of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

For administrative purposes the funds are split between the Mission Fund and the Parish Funds.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Resources expended are accounted for in the period in which they are incurred. The irrecoverable element of the VAT is included in the item of expense to which it relates.

Where an item of expenditure falls directly within one cost category it is attributed to that category only. Where expenditure involves more than one category it is apportioned on a reasonable and justifiable basis.

Grants and donations are included in the Statement of Financial Activities in the year when they become payable.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	20-100 years straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% straight line

Items over £1,000 are capitalised.

Schools

The Charity owns the land on which its voluntary aided school in the parish of Beccles is built. The Bungay Missions Trust owns the land on which the voluntary aided school in the parish of Bungay is built. As stated previously a Charity Commission Direction to Unite for accounting purposes, Downside Abbey Missions Trust and Bungay Missions Trust has been granted. The nature of the occupation of the land by these exempt and excepted charities means that the Downside Abbey Missions Trust's Trustees do not have the power to dispose of the land until the school ceases its occupation, which in turn would require the approval of the Secretary of State. Consequently, for the purposes of these financial statements the land is not capitalised. The cost of any land acquired for the purposes of a voluntary aided school is charged to the statement of financial activities in the year of acquisition.

Land agreed as surplus to the school's requirements, by the Local Education Authority, may be disposed of by the Trustees who own the land.

The school buildings are occupied, improved, extended and repaired by the school governors. The nature of the occupation of these buildings by these exempt and excepted charities means that the Downside Abbey Missions Trust's Trustees do not have control over the buildings until the school ceases its occupation, which in turn would require the approval of the Secretary of State. Consequently, for the purposes of these financial statements any cost of new building is written off to the Statement of Financial Activities in the year in which it is incurred.

1.7 Investment properties

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

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The trustees use their knowledge of the charity to estimate the useful life and residual of tangible fixed assets in order to arrive at applicable depreciation rates. In accordance with section 17 of FRS02, the trustees review and update these estimates if there are indicators that current estimates should change. During the year there was no change in the depreciation rates.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and gifts	4,167	-	4,167	21,309
Collections and fundraising	142,942	24,376	167,318	195,780
Government grants	9,528	-	9,528	-
	<u>156,637</u>	<u>24,376</u>	<u>181,013</u>	<u>217,089</u>
For the year ended 31 December 2019	<u>178,986</u>	<u>38,103</u>		<u>217,089</u>

4 Investments

	Unrestricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Rental income	12,278	-	12,278	16,704
Investment income	338	3	341	614
	<u>12,616</u>	<u>3</u>	<u>12,619</u>	<u>17,318</u>
For the year ended 31 December 2019	<u>17,188</u>	<u>130</u>		<u>17,318</u>

5 Other income

	2020 £	2019 £
Net gain on disposal of tangible fixed assets	3,171	910,915
Other income	2,558	13,031
	<u>5,729</u>	<u>923,946</u>

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	2020	2019
	£	£
Grant funding of activities (see note 7)	353,786	963,123
Share of support costs (see note 8)	152,788	167,186
Share of governance costs (see note 8)	1,320	1,320
	<u>507,894</u>	<u>1,131,629</u>
Analysis by fund		
Unrestricted funds	471,637	1,100,977
Restricted funds	36,257	30,652
	<u>507,894</u>	<u>1,131,629</u>

7 Grants payable

	2020	2019
	£	£
Grants to institutions:		
Second collections (see below)	14,759	23,209
Parish Schools	15,382	12,738
Downside Enterprise Limited	-	12,730
Others Less Than £1,000	400	11,088
Downside Abbey General Trust	-	902,568
Alive in Faith	7,387	-
Belmont Abbey	314,517	-
	<u>352,445</u>	<u>962,333</u>
Grants to individuals	1,341	790
	<u>353,786</u>	<u>963,123</u>

Parishes raise money for specific charities and funds. Second collections represent the expenditure relating to those donations.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	5,826	-	5,826	5,867
Depreciation	18,537	-	18,537	30,240
Church and related expenses	44,386	-	44,386	71,345
Repairs and maintenance	52,747	-	52,747	34,162
Accountancy	4,020	-	4,020	3,120
Legal and professional	2,441	-	2,441	22,348
Priests' Maintenance	16,312	-	16,312	(15,000)
Diocese Levies	8,519	-	8,519	15,104
Independent Examiners fees	-	1,320	1,320	1,320
	<u>152,788</u>	<u>1,320</u>	<u>154,108</u>	<u>168,506</u>
Analysed between				
Charitable activities	<u>152,788</u>	<u>1,320</u>	<u>154,108</u>	<u>168,506</u>

In addition to the Independent Examiner fees shown above, included within support costs are accountancy fees payable to the Independent Examiner in respect of accountancy and other services of £4,020 (2019:£3,120).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2019: £nil) by the Charity.

Priests' maintenance costs as shown in note 8 are levied by Downside Abbey General Trust towards the cost of maintenance of the parish priests. The parishes are charged in proportion to the amount of the priest's working time at the parishes. Costs shown are a negative figure this year as historic amounts have been written off.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	3	3
	<u>3</u>	<u>3</u>

Employment costs

	2020	2019
	£	£

Wages and salaries	5,826	5,867
	<u>5,826</u>	<u>5,867</u>

11 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2020	610,613	234,079	39,932	884,624
Additions	-	-	10,897	10,897
Disposals	(200,100)	(127,967)	(16,638)	(344,705)
	<u>410,513</u>	<u>106,112</u>	<u>34,191</u>	<u>550,816</u>
At 31 December 2020	410,513	106,112	34,191	550,816
	<u>410,513</u>	<u>106,112</u>	<u>34,191</u>	<u>550,816</u>
Depreciation and impairment				
At 1 January 2020	251,589	107,867	29,787	389,243
Depreciation charged in the year	9,102	4,595	4,840	18,537
Eliminated in respect of disposals	(71,752)	(44,689)	(11,813)	(128,254)
	<u>188,939</u>	<u>67,773</u>	<u>22,814</u>	<u>279,526</u>
At 31 December 2020	188,939	67,773	22,814	279,526
	<u>188,939</u>	<u>67,773</u>	<u>22,814</u>	<u>279,526</u>
Carrying amount				
At 31 December 2020	221,574	38,339	11,377	271,290
	<u>221,574</u>	<u>38,339</u>	<u>11,377</u>	<u>271,290</u>
At 31 December 2019	359,024	126,212	10,145	495,381
	<u>359,024</u>	<u>126,212</u>	<u>10,145</u>	<u>495,381</u>

Legal title to certain of the freehold properties is held by Downside Abbey General Trust. The properties are held by Downside Abbey General Trust for the benefit of the Missions Trust for as long as they are used as part of the Charity's mission. These properties are included in the Missions Trust financial statements.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Investment property

2020

£

Fair value

At 1 January 2020 and 31 December 2020

250,000

The investment property was valued by the Trustees, during the year ended 31 December 2017, based on an expected rental yield for residential properties. The trustees believe that the valuation is still reflective at 31 December 2020.

13 Financial instruments

2020

2019

£

£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss

102,844

102,519

14 Debtors

2020

2019

Amounts falling due within one year:

£

£

Other debtors

8,999

6,351

8,999

6,351

15 Current asset investments

2020

2019

£

£

Unlisted investments

102,844

102,519

16 Creditors: amounts falling due within one year

2020

2019

£

£

Other creditors

6,382

59,219

Accruals and deferred income

5,340

5,340

11,722

64,559

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Permanent endowments					
Little Malvern	5,903	2	-	(5,905)	-
Bungay	5,050	1	-	(1)	5,050
Beccles	420	-	-	-	420
Clergy Maintenance	-	-	-	5,903	5,903
	<u>11,373</u>	<u>3</u>	<u>-</u>	<u>(3)</u>	<u>11,373</u>

Prior Year	Movement in funds				
	Balance at 1 January 2019	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2019
	£	£	£	£	£
Permanent endowments					
Little Malvern	5,903	67	-	(67)	5,903
Bungay	5,050	58	-	(58)	5,050
Beccles	420	5	-	(5)	420
	<u>11,373</u>	<u>130</u>	<u>-</u>	<u>(130)</u>	<u>11,373</u>

Endowment Interest is available to be spent as Unrestricted Funds within the Mission Fund parishes shown. The income for the year has been transferred to Unrestricted Mission Fund Funds, in order that endowed balances are stated at their capital value.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

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

	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Second Collections	3,719	13,668	(15,547)	-	1,840
Little Malvern Building Fund	10,002	10,708	(20,710)	-	-
	<u>13,721</u>	<u>24,376</u>	<u>(36,257)</u>	<u>-</u>	<u>1,840</u>

Prior Year	Movement in funds				
	Balance at 1 January 2019	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2019
	£	£	£	£	£
Second Collections	5,270	21,658	(23,209)	-	3,719
Little Malvern Building Fund	-	16,445	(6,443)	-	10,002
Stratton on the Fosse Rope Legacy Fund	1,000	-	(1,000)	-	-
	<u>6,270</u>	<u>38,103</u>	<u>(30,652)</u>	<u>-</u>	<u>13,721</u>

Parishes raise money for specific charities and funds. Second Collections represents the expenditure relating to those donations.

The Little Malvern Building Fund represents funds to be used in the upkeep of buildings in the Parish of Little Malvern.

The Rope Legacy Fund represents funds donated to be used for people in need or in poverty within the Parish of Stratton on the Fosse.

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Unrestricted funds -

The following amounts included with unrestricted funds, are Parish Funds and Mission Funds.

	Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£
Parish Fund - Beccles	60,758	42,620	(42,174)	-	-	61,204
Parish Fund - Bungay	103,601	61,351	(60,991)	(1,484)	-	102,477
Parish Fund - Stratton on the Fosse	221,756	24,382	(26,387)	(5,537)	-	214,214
Parish Fund - Little Malvern	316,667	38,851	(355,518)	-	-	-
Mission Common Fund	210,442	7,778	13,433	7,021	-	238,674
Mission Fund (other mission funds)	114,754	-	-	3	-	114,757
	<u>1,027,978</u>	<u>174,982</u>	<u>(471,637)</u>	<u>3</u>	<u>-</u>	<u>731,326</u>

Prior Year

	Movement in funds					
	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2019
	£	£	£	£	£	£
Parish Fund - Beccles	51,064	55,037	(45,343)	-	-	60,758
Parish Fund - Bungay	102,899	56,440	(55,738)	-	-	103,601
Parish Fund - Stratton on the Fosse	200,410	40,925	(17,476)	(2,103)	-	221,756
Parish Fund - Little Malvern	304,076	48,895	(36,304)	-	-	316,667
Mission Common Fund	236,930	917,525	(946,116)	2,103	-	210,442
Mission Fund (other mission funds)	113,326	1,298	-	130	-	114,754
	<u>1,008,705</u>	<u>1,120,120</u>	<u>(1,100,977)</u>	<u>130</u>	<u>-</u>	<u>1,027,978</u>

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 December 2020 are represented by:				
Tangible assets	271,290	-	-	271,290
Investment properties	250,000	-	-	250,000
Current assets/(liabilities)	210,036	1,840	11,373	223,249
	<u>731,326</u>	<u>1,840</u>	<u>11,373</u>	<u>744,539</u>

Prior Year	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 December 2019 are represented by:				
Tangible assets	495,381	-	-	495,381
Investment properties	250,000	-	-	250,000
Current assets/(liabilities)	282,597	13,721	11,373	307,691
	<u>1,027,978</u>	<u>13,721</u>	<u>11,373</u>	<u>1,053,072</u>

21 Related party transactions

During the year £16,312 (2019:£5,000) was payable to Downside Abbey General Trust in respect of priests' maintenance costs, and £nil (2019:£902,568) in respect of the sale of redundant chapels.

The Trust historically provided funds to support the staff of the bookshop run by Downside Enterprise Limited. This ceased in 2020, so £nil was paid (2019:£12,730).

22 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(308,533)	26,724
Adjustments for:		
Investment income recognised in statement of financial activities	(12,619)	(17,318)
(Gain)/loss on disposal of tangible fixed assets	(3,171)	1,603
Depreciation and impairment of tangible fixed assets	18,537	30,240
Movements in working capital:		
(Increase)/decrease in debtors	(2,973)	91,941
(Decrease) in creditors	(52,837)	(203,180)
Cash absorbed by operations	<u>(361,596)</u>	<u>(69,990)</u>

DOWNSIDE ABBEY MISSION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of changes in net funds

The Charity had no debt during the year.