

# **DOWNSIDE ABBEY MISSION TRUST**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

**OLD M<sup>•</sup>LL**

# DOWNSIDE ABBEY MISSION TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustee</b>	The Downside Abbey trustees registered
<b>Charity number</b>	232550
<b>Independent examiner</b>	Old Mill Accountancy Limited Bishopbrook House Cathedral Avenue WELLS Somerset BA5 1FD
<b>Bankers</b>	Barclays Bank Plc PO Box 2156 1 Manvers Strees BATH BA1 1JZ
<b>Solicitors</b>	Stone King LLP 13 Queen Square BATH Somerset BA1 2HJ

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# DOWNSIDE ABBEY MISSION TRUST

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# **DOWNSIDE ABBEY MISSION TRUST**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees present their report and financial statements for the year ended 31 December 2021.

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 2021, the Charity's activities and performance, like so many other charities, continued to be affected by the global pandemic, COVID-19. Although our parish churches re-opened, many services and parish activities operated on reduced numbers as parishioners continued to be concerned and to follow guidelines suggested by Church and Government. This continues to impact parish income and is likely to continue for some time. Fortunately, the clergy have been able to resume their visits to the sick and aged in their homes and we continued to use social media and telephone ministry to inform and stay in touch with many parishioners.

The parish of St Benedict's, Stratton on the Fosse, continues to use the much larger Downside Abbey for its two Sunday Masses, but their own church remained closed in 2021.

During 2021, we have encouraged all parishes to review their financial and management structures and to maximise the involvement of experienced parishioners to aid the recovery of parishes following the pandemic and to face the challenges of a changing Church.

The parishes have been actively involved in the Church's "Synod 2021-2023: For a Synodal Church". In 2021 we have been participating as individual parishes in the local diocesan phase of 'listening and discerning'.

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 2021. They also support and work with the disadvantaged who live locally. Much of this work is done in conjunction with other Churches and institutions.

#### **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 2021

### Financial review

Total net incoming resources for the year amounted to £12,533 (2020: outgoing £308,533). Collections and fundraising income has decreased by £63,077 to £104,241 (2020: £167,318). Charitable expenditure has decreased by £356,768 to £151,126 (2020: £507,894). Expenditure during the year ended 31 December 2020 included £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 incoming resources of £590 (2020: outgoing £11,881).

The Charity's balance sheet shows a satisfactory position with funds amounting to £757,072 (2020: £744,539). Included within the Charity's assets are fixed asset investments totalling £265,000 (2020: £250,000). All investments held by the Charity have been acquired in accordance with the powers available to the Trustees.

### Reserves

Notes 18 to 21 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:-

	2021	2020
	£	£
Total reserves as at 31 December	757,072	744,539
Less:		
Permanent Endowment Funds	(11,373)	(11,373)
Restricted Funds	(2,430)	(1,840)
Tangible Fixed Assets used for charitable purposes forming part of Unrestricted Funds	(260,690)	(271,290)
	<hr/>	<hr/>
Free Reserves of the Charity	<b>482,579</b>	<b>460,036</b>
	<hr/>	<hr/>

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 30 months recurring expenditure (2020: 27 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.

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 2021**

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#### **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. As part of this review, the Trustees decided to begin the process of relinquishing the incorporated parishes of St Benet's, Beccles and St Edmund's, Bungay. After consultation with other Benedictine Houses we decided to transfer the ownership and pastoral care of the parishes to the Diocese of East Anglia in 2022. In 2022, the resident monastic community will be moving to a temporary home in Devon. They will use this opportunity to continue their discernment and to explore new mission and pastoral opportunities.

#### **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 trustees registered (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 (Resigned 23 September 2021)

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 the 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 2021**

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#### **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: 31 May 2022

# DOWNSIDE ABBEY MISSION TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF DOWNSIDE ABBEY MISSION TRUST

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I report to the trustees on my examination of the financial statements of Downside Abbey Mission Trust (the Charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

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

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

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

Dated: 16 June 2022



# **DOWNSIDE ABBEY MISSION TRUST**

## **STATEMENT OF FINANCIAL ACTIVITIES** **FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	125,689	9,104	-	134,793	181,013
Investments	4	13,857	-	9	13,866	12,619
Other income	5	-	-	-	-	5,729
<b>Total income and endowments</b>		<b>139,546</b>	<b>9,104</b>	<b>9</b>	<b>148,659</b>	<b>199,361</b>
<b><u>Expenditure on:</u></b>						
Charitable activities	6	142,612	8,514	-	151,126	507,894
Net gains/(losses) on investments	11	15,000	-	-	15,000	-
<b>Net incoming/(outgoing) resources before transfers</b>		<b>11,934</b>	<b>590</b>	<b>9</b>	<b>12,533</b>	<b>(308,533)</b>
Gross transfers between funds		9	-	(9)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>11,943</b>	<b>590</b>	<b>-</b>	<b>12,533</b>	<b>(308,533)</b>
Fund balances at 1 January 2021		731,326	1,840	11,373	744,539	1,053,072
<b>Fund balances at 31 December 2021</b>		<b>743,269</b>	<b>2,430</b>	<b>11,373</b>	<b>757,072</b>	<b>744,539</b>

# **DOWNSIDE ABBEY MISSION TRUST**

## **BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	<b>12</b>		260,690		271,290
Investment properties	<b>13</b>		265,000		250,000
			<u>525,690</u>		<u>521,290</u>
<b>Current assets</b>					
Debtors	<b>15</b>	4,147		8,999	
Investments	<b>16</b>	102,928		102,844	
Cash at bank and in hand		132,669		123,128	
		<u>239,744</u>		<u>234,971</u>	
<b>Creditors: amounts falling due within one year</b>	<b>17</b>	(8,362)		(11,722)	
		<u></u>		<u></u>	
Net current assets			231,382		223,249
<b>Total assets less current liabilities</b>			<u>757,072</u>		<u>744,539</u>
			<u><u>757,072</u></u>		<u><u>744,539</u></u>
<b>Capital funds</b>					
Endowment funds	<b>18</b>		11,373		11,373
<b>Income funds</b>					
Restricted funds	<b>19</b>		2,430		1,840
Unrestricted funds			743,269		731,326
			<u>757,072</u>		<u>744,539</u>
			<u><u>757,072</u></u>		<u><u>744,539</u></u>

The accounts were approved by the Trustees on 31 May 2022

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

# DOWNSIDE ABBEY MISSION TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **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 Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

# DOWNSIDE ABBEY MISSION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

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.

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.

# DOWNSIDE ABBEY MISSION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 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.

##### 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 2021

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#### **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 2021**

#### **3 Donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and gifts	11,682	-	11,682	4,167
Collections and fundraising	95,137	9,104	104,241	167,318
Government grants	18,870	-	18,870	9,528
	<u>125,689</u>	<u>9,104</u>	<u>134,793</u>	<u>181,013</u>
<b>For the year ended 31 December 2020</b>	<u>156,637</u>	<u>24,376</u>		<u>181,013</u>

#### **4 Investments**

	Unrestricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Rental income	13,743	-	13,743	12,278
Investment income	114	9	123	341
	<u>13,857</u>	<u>9</u>	<u>13,866</u>	<u>12,619</u>
<b>For the year ended 31 December 2020</b>	<u>12,616</u>	<u>3</u>		<u>12,619</u>

#### **5 Other income**

	2021 £	2020 £
Net gain on disposal of tangible fixed assets	-	3,171
Other income	-	2,558
	<u>-</u>	<u>5,729</u>

# **DOWNSIDE ABBEY MISSION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

### **6 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grant funding of activities (see note 7)	23,120	353,786
Share of support costs (see note 8)	126,506	152,788
Share of governance costs (see note 8)	1,500	1,320
	<u>151,126</u>	<u>507,894</u>
	<u><u>151,126</u></u>	<u><u>507,894</u></u>
<b>Analysis by fund</b>		
Unrestricted funds	142,612	471,637
Restricted funds	8,514	36,257
	<u>151,126</u>	<u>507,894</u>
	<u><u>151,126</u></u>	<u><u>507,894</u></u>

### **7 Grants payable**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants to institutions:		
Second collections (see below)	8,514	14,759
Parish Schools	10,950	15,382
Downside Abbey General Trust	2,661	-
Others Less Than £1,000	995	400
Alive in Faith	-	7,387
Belmont Abbey	-	314,517
	<u>23,120</u>	<u>352,445</u>
Grants to individuals	-	1,341
	<u>23,120</u>	<u>353,786</u>
	<u><u>23,120</u></u>	<u><u>353,786</u></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 2021**

### **8 Support costs**

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	4,837	-	4,837	5,826
Depreciation	17,509	-	17,509	18,537
Church and related expenses	61,392	-	61,392	44,386
Repairs and maintenance	15,836	-	15,836	52,747
Accountancy	4,980	-	4,980	4,020
Legal and professional	603	-	603	2,441
Priests' Maintenance	8,077	-	8,077	16,312
Diocese Levies	13,272	-	13,272	8,519
Independent Examiners fees	-	1,500	1,500	1,320
	<u>126,506</u>	<u>1,500</u>	<u>128,006</u>	<u>154,108</u>
Analysed between				
Charitable activities	<u>126,506</u>	<u>1,500</u>	<u>128,006</u>	<u>154,108</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 £4,980 (2020:£4,020).

### **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 (2020: £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.

### **10 Employees**

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>1</u>	<u>3</u>
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<u>4,837</u>	<u>5,826</u>

# **DOWNSIDE ABBEY MISSION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **11 Net gains/(losses) on investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Revaluation of investment properties	15,000	-
	<u>          </u>	<u>          </u>

#### **12 Tangible fixed assets**

	<b>Land and buildings</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 January 2021	410,513	106,112	34,191	550,816
Additions	-	9,570	-	9,570
Disposals	-	(2,531)	(13,304)	(15,835)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	410,513	113,151	20,887	544,551
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>				
At 1 January 2021	188,939	67,773	22,814	279,526
Depreciation charged in the year	9,102	5,561	2,179	16,842
Eliminated in respect of disposals	-	(1,864)	(10,643)	(12,507)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2021	198,041	71,470	14,350	283,861
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 31 December 2021	212,472	41,681	6,537	260,690
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	221,574	38,339	11,377	271,290
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </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 2021**

#### **13 Investment property**

**2021**  
**£**

**Fair value**

At 1 January 2021

250,000

Net gains or losses through fair value adjustments

15,000

At 31 December 2021

265,000

The investment property was valued by the Trustees, during the year ended 31 December 2021, based on an expected rental yield for residential properties. The trustees believe that the valuation is reflective at 31 December 2021.

#### **14 Financial instruments**

**2021**  
**£**

**2020**  
**£**

**Carrying amount of financial assets**

Instruments measured at fair value through profit or loss

102,928

102,844

#### **15 Debtors**

**2021**  
**£**

**2020**  
**£**

**Amounts falling due within one year:**

Other debtors

4,147

8,999

4,147

8,999

#### **16 Current asset investments**

**2021**  
**£**

**2020**  
**£**

Unlisted investments

102,928

102,844

#### **17 Creditors: amounts falling due within one year**

**2021**  
**£**

**2020**  
**£**

Other creditors

5,242

6,382

Accruals and deferred income

3,120

5,340

8,362

11,722

# **DOWNSIDE ABBEY MISSION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **18 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 2021	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2021
	£	£	£	£	£
<b>Permanent endowments</b>					
Bungay	5,050	-	-	(5,050)	-
Beccles	420	-	-	(420)	-
Clergy Maintenance	5,903	9	-	5,461	11,373
	<u>11,373</u>	<u>9</u>	<u>-</u>	<u>(9)</u>	<u>11,373</u>
	<u><u>11,373</u></u>	<u><u>9</u></u>	<u><u>-</u></u>	<u><u>(9)</u></u>	<u><u>11,373</u></u>

<b>Prior Year</b>	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Outgoing resources	Transfers	Balance at 31 December 2020
	£	£	£	£	£
<b>Permanent endowments</b>					
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>
	<u><u>11,373</u></u>	<u><u>3</u></u>	<u><u>-</u></u>	<u><u>(3)</u></u>	<u><u>11,373</u></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 2021**

#### **19 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:

	<b>Movement in funds</b>			
	<b>Balance at 1 January 2021</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Second Collections	1,840	9,104	(8,514)	-
	<u>1,840</u>	<u>9,104</u>	<u>(8,514)</u>	<u>-</u>
	<u><u>1,840</u></u>	<u><u>9,104</u></u>	<u><u>(8,514)</u></u>	<u><u>-</u></u>
<b>Prior Year</b>				
	<b>Balance at 1 January 2020</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Second Collections	3,719	13,668	(15,547)	-
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><u>13,721</u></u>	<u><u>24,376</u></u>	<u><u>(36,257)</u></u>	<u><u>-</u></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.

# **DOWNSIDE ABBEY MISSION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **20 Unrestricted funds -**

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

	<b>Movement in funds</b>					
	<b>Balance at 1 January 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Revaluations, gains and losses</b>	<b>Balance at 31 December 2021</b>
	£	£	£	£	£	£
Parish Fund - Beccles	61,204	41,395	(40,106)	10,000	-	72,493
Parish Fund - Bungay	102,477	65,560	(62,347)	-	-	105,690
Parish Fund - Stratton on the Fosse	214,214	23,539	(32,360)	10,000	-	215,393
Mission Common Fund	238,674	9,052	(7,799)	(20,000)	15,000	234,927
Mission Fund (other mission funds)	114,757	-	-	9	-	114,766
	<u>731,326</u>	<u>139,546</u>	<u>(142,612)</u>	<u>9</u>	<u>15,000</u>	<u>743,269</u>

#### **Prior Year**

	<b>Movement in funds</b>					
	<b>Balance at 1 January 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Revaluations, gains and losses</b>	<b>Balance at 31 December 2020</b>
	£	£	£	£	£	£
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>

# **DOWNSIDE ABBEY MISSION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **21 Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Tangible assets	260,690	-	-	260,690
Investment properties	265,000	-	-	265,000
Current assets/(liabilities)	217,579	2,430	11,373	231,382
	<u>743,269</u>	<u>2,430</u>	<u>11,373</u>	<u>757,072</u>

Prior Year	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>

#### **22 Events after the reporting date**

During the year, it was decided to relinquish the parishes of Beccles and Bungay to the Diocese of East Anglia. The transfer of ownership and assets of these parishes is expected to complete during the year ended 31 December 2022.

When this transfer is complete, the material fund balances (assets) for these parishes will be paid away to the Diocese of East Anglia. This will be shown as a donation paid away in the accounts in the year of completion.

#### **23 Related party transactions**

During the year £8,077 (2020:£16,312) was payable to Downside Abbey General Trust in respect of priests' maintenance costs.

During the year a parish vehicle was donated to Downside Abbey General Trust. The vehicle had a value of £2,661 and is shown as a donation in the accounts.