

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
ST MILDRED'S ABBEY
CHARITY NUMBER 232635**

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for the Year Ended 31 December 2021**

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ST MILDRED'S ABBEY
REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021

Legal and Administrative Details

Registered Charity Number 232635

Trustees

The trustees in office during the period and at the date of this report:

- Mother Prioress Nikola Proksch OSB
- Sister Aelred Erwin OSB
- Sister Benedict Gaughan OSB
- Sister Johanna Caton OSB

Registered Office

St Mildred's Abbey
Church Street
Minster
Ramsgate
Kent
CT12 4HF
Telephone 01843 821254

Accountants

Hilary Adams Ltd
Chartered Accountants
158 High Street
Herne Bay
CT6 5NP

Bankers

Lloyds Bank
3 Queen St.
Ramsgate
CT11 9DL

Solicitors

Boys and Maughan
India House
Hawley St.
Margate
CT9 1PZ

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021**

The trustees present their report along with the financial statements of the Trustees of Minster Abbey for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out and comply with the charity's trust deed and applicable law.

Objectives of the Charity

Minster Abbey is a member of the English province, of the Subiaco Cassinese Congregation of the Order of St. Benedict. The present community was founded in 1937, from St. Walburga's monastery in Eichstatt, Germany. The monastery is situated in the Village of Minster, near Ramsgate, Kent. The community is made up of 13 nuns, who have publicly committed their lives to Jesus Christ. In accordance with the Charity's Trust Deed, the Abbey is established "for the advancement of the Roman Catholic Religion and such other charitable purposes, as the Trustees think fit."

Mission

The mission of Minster Abbey is grounded in the Benedictine Roman Catholic Faith tradition that shapes our deepest values and way of life. We seek to foster an environment that honours and respects the gifts and inherent differences of each sister, as well as our guests, employees and friends. As members of a Benedictine community, we are called together by Christ, and we aim to support one another under the guidance of the Gospel and Rule of St. Benedict. We serve the Church and the world by nurturing a contemplative spirit through a life of prayer, hospitality and ecumenical dialogue. Guided by Church teaching, we celebrate the "transcendent dignity of each human person".

1. Care for the members of the monastic Community

2. Hospitality and Pastoral Care

In their work of hospitality the charity welcomes the public in four areas:

1. Residential retreats and conferences for individuals and groups.
2. Day groups which include retreat groups, study groups and conferences.
3. Welcoming the public to view the ancient buildings.
4. Pastoral care for those who come to the monastery.

3. Prayer Liturgy and spiritual support

According to the Trust document, our main objective is to build up the local Roman Catholic Church. The Benedictine Nuns of Minster Abbey, as the Minster Abbey Trust, aim to support the work of the Roman Catholic Church in the Diocese of Southwark. The charity welcomes others to share in the liturgical prayer of the community.

4. Preservation of the Ancient Monastic buildings

The charity is committed to the preservation and maintenance of the unique historic fabric of the abbey which provides a first-hand experience of centuries of our National heritage.

Activities, specific objectives and relevant policies

The activities of the charity can be divided into four principal areas

1. Care of the monastic community.
2. Hospitality and Pastoral Care.
3. Mission and Global Outreach.
4. Preservation of the Ancient Monastic Buildings.

1. Caring for members of the monastic community

In order that the charity may carry out its objectives, the charity has the responsibility to provide care for its members, none of whom have resources of their own and all of whom have devoted their lives to this community. All income received from the sale of artefacts, royalties, retreats and donations is donated to the charity and used to provide for the members, and to ensure that the work may continue, and develop.

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021**

Activities, specific objectives and relevant policies (continued)

2. Hospitality

For over 70 years the Benedictine nuns of Minster Abbey have provided hospitality to all those who come to the monastery for a place of spiritual refreshment. In keeping with the Rule of St. Benedict which is the main spiritual directive for the community, hospitality is an important aspect of Benedictine life.

A. Residential

Although enclosed the sisters' main outreach is in their work of hospitality primarily through their Guest House. The charity owns and operates a 17 bed Guest House, including a chalet for families. The facilities are used by many residential groups for conferences and retreats.

B. Tours of the Abbey

Minster Abbey has huge importance historically, and architecturally, and is of major significance in the local community. Minster Abbey was founded in 670 AD. Most of the present buildings date back to the 10th and 11th centuries, and are the home of the monastic community of Benedictine nuns. It was only after the reformation that the monastery became a private dwelling. In 1937, when the property was put up for sale, it was acquired by the nuns of St. Walburga's Abbey in Bavaria community was under threat by the Nazi regime. Thus Minster Abbey returned once again to its original purpose as a Benedictine Monastery. In their work of hospitality the sisters welcome visitors for several hours each week in order for the public to view the ancient monastic buildings. The sisters also give guided tours and explain the historic background to this ancient site. Visitors include groups of historians, archaeologists, students and school children locally, nationally and even internationally. The charity also operate an abbey shop which sells some hand-craft items made by the sisters. Public disabled toilet facilities are also available for the use of visitors.

C. Day Groups

In addition to the Guest House, the sisters also have another large meeting room with disabled access. St. Benedict's, is used by many groups who come for day retreats or study meetings, throughout the year. Groups as varied as craft and art groups, prison and hospital chaplains, environmental study groups, Fair-trade groups, groups promoting justice and peace, support groups for counsellors, mental health support groups, interdenominational and inter-faith groups, use the facility. It has an adjacent kitchen with coffee and tea making facilities. Parkminster is a non-residential, day facility available for group meetings and conferences for up to 70 people. The number of groups using Parkminster is steadily increasing.

D. Pastoral Care

The Charity through their ministry of hospitality provide spiritual accompaniment to many people who come to the Abbey seeking help. The philosophy of Benedictine hospitality is to ensure that all who come to the Abbey are welcomed as Christ. It gives special recognition to the poor. Thus, the sisters are often called upon to support those who may be experiencing difficulties, as well as being available for those who request guidance or direction in prayer. In addition the sisters also lead a number of retreats throughout the year, and give talks to groups who request some input.

3. Mission and Global Outreach

The charity provides financial support for monastic communities overseas. We also support the work of Cafod, Aid to the Church in Need and other agencies which alleviate suffering and promote peace and justice throughout the world. Grants and donations are decided on by the trustees in consultation with the other members of the community as appropriate.

Since the time of St. Benedict in the 5th century, liturgical prayer has always been the centre of Benedictine monastic life. The chapel is open to the public from 5:15 a.m. each day until 8:45 p.m. The sisters welcome guests, visitors and the local community to join the prayer services that take place in the chapel seven times throughout the day. Minster Abbey also offers daily Mass and is attended by those on retreat, and the local community, many who come especially for the celebration of the Sunday Eucharist.

4. Preservation of the Ancient Monastic Buildings

The charity is committed to the preservation and maintenance of the unique historic fabric of the abbey which provides a first-hand experience of centuries of our National heritage. It is a Grade 1 listed building. The Abbey provides the main incentive for tourism in Minster.

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021**

Investment Policy

The charity's investments are managed by the trustees in consultation with advisors. There are no restrictions on the charity's power to invest. The charity takes into account income requirements, the risk profile and the advice received from consultants. The trustees' investment goal is to maintain and enhance the real value of the fund over the medium and long term, whilst producing a modest income which will increase steadily over the long term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income which may be required by the trust. The Ethical policy precludes investment in any company which after reasonable enquiry has profit from an activity which is contrary to Christian ethics. At present a large portion of the investment portfolio is with Epworth Investments, which has an active and stable ethical policy. It informs the trustees about ethical issues which may be of concern to the charity. The performance of the portfolio and the charity's investment strategy are reviewed at regular intervals by the trustees.

Activities and performance over the past year

Minster Abbey Trustees are confident that their charitable activities continue to provide benefit for the public.

We hope that the short summary of our work that follows, illustrates some of the important aspects of our outreach:

- Early in March 2020, the UK government announced a nationwide Lockdown due to Covid 19 which has restricted our ministry.
- Minster Abbey Trustees are confident that during 2021 their charitable activities continue to provide benefit for the public. However, to the recent Covid restrictions, our outreach was still somewhat restricted.
- Zoom was used by sisters in various ways. By allowing connection through a computer people were able to meet online for video conference meetings, webinars and live chat. This has allowed some semblance of normal communal life to continue.
- All our guest house retreats for individuals and groups were cancelled until Easter 2021. As our main source of income is in our work of hospitality, the loss of income continued to be evident throughout the whole year. Donations from generous benefactors helped to prevent going into debt.
- As monastic hospitality is an important aspect of the Benedictine life, our ministry was greatly challenged by the lockdown. For more than 18 months, the Guest House, Chapel and Parkminster were completely closed to the public. A new ministry of telephone conversations with a number of people developed and became a great support to people who would have been otherwise unable to cope with the demands of life.
- The Divine Office, which is a particular Benedictine gift to the Church, is celebrated seven times each day. We continued for an extended time to offer our prayer online.

On Sunday April 4th 2021, we were finally able to welcome friends and parishioners to the Sunday Eucharist. When the responsible sister rang people informing them that the Church was once again reopened, many people were in tears. There was an amazing sense of reunion and joy at being able to express this important element of their faith.

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021

Activities and performance over the past year (continued)

- Our Oblates do not live in the community setting, but live with their families or alone. We tried to have regular contact with each oblate and many were able to join in monthly Zoom meetings, where they were able to share their own experience of Benedictine life in the time of pandemic. Our monthly "Christians together" Zoom meetings were also an opportunity to share our experience of ministering to others in a time of loss and isolation. These online meetings proved to be a source of strength to the various Churches, as we discovered new ways to support each other in our ministries.

Once we had opened again, one of our volunteers shared with us:

"My volunteer work at Minster Abbey means so much to me. I really look forward to Monday mornings and coming to the Abbey. My husband has C.O.P.D. and is severely disabled. I am his only carer and in these circumstances it is possible to become very isolated and introspective. The regular commitment enables me to meet the sisters and to keep in touch with the world beyond my home. We both manage to join the sisters for Sunday Mass, which is a wonderful uplifting experience, and our lives are enriched by being part of this lovely community"

- AT PARKMINSTER we offer facilities for a Work training project of "Looking Ahead", especially for young people with special needs. During the lockdown period the project was closed for many months and was able to open for a short period of time when the restrictions were not so stringent. In the springtime, as the restrictions were lifted, food could only be served outdoors, which limited the number of people they were able to cater for. Some people with disabilities found the isolation from their friends and the regular interaction with others extremely difficult.
- In the spring of 2021 the government announced the possibility of opening venues of hospitality. The trustees explored various possibilities for reopening our Guest House, in line with government requirement, which would ensure the safety of the guests as well as vulnerable members of the community. A decision was made to reduce the number of guests and to create three areas of welcome, each area having its own small kitchenette with self-catering facilities. These rooms were fitted with the necessary equipment, and redecorated. After Easter in 2021 the Guest house was reopened after nearly 15 months.

One of our regular guests wrote to us after being able to return as a Guest after the Covid lockdown:

"Thank you for the few days I spent with you recently. I love Minster for so many things. The place itself is just full of the holiness of so many centuries of prayer and lives given to God. It's extraordinary to see the really old buildings, to spend time in the beautifully tended gardens where well placed benches allow moments of quiet contemplation and to be able to join you for prayer. You all sing the praises of God so faithfully across the cycle of the year and as the different years go by. It feels as if everyone who comes to Minster Abbey is welcomed into that wheel of prayer, which also holds the concerns of each of us and the troubles of the whole world."

- The group of students and teachers from St. Anselm's Secondary school, Canterbury have not yet returned to their regular visits to the Abbey.
- We continue to graze our own flock of sheep. A local farmer assists us with shearing and lambing on a volunteer basis. There was a good lambing season this year. We are able to provide delicious organic, free range meat for the community and some given away to friends.
- The community continue to discern new ways to promote vocations to Minster Abbey so that new members will be attracted to our particular way of living the monastic life. The new video produced last year, is now active on our Website and the feedback has been encouraging. We joined in the 2021 "Joyful Living" experience, which involved over 2000 young people in schools throughout the UK by Zoom.
- We continue to offer DIY livery. This has increased over the past year, and is proving to be very successful. This provides a good income for the community.

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021

Activities and performance over the past year (continued)

- We have one sister in formation. This is an important time for discernment, prayer, study and continued formation in the Benedictine way of life. The whole community supports and accompanies our sister on this journey towards solemn profession.
- One sister continues to require nursing care in a local Nursing Home, funded by the local authority. Her life of prayer is a great support to the work of the community. Visitors were not allowed and so all communication was by letter and visits outdoors in the summer. We are delighted that there were no cases of Covid 19 in the nursing home throughout the whole period. Her health is gradually deteriorating.
- The plans to transfer our electricity supply to solar energy has been quite a struggle as we have had issues with the local council due to the Abbey's Grade 1 Scheduled monument status. We have had to employ an architect who has long experience with dealing with building permission for historical buildings. He has taken over the negotiation with the Thanet District Council and we are hopeful that we may obtain permission in 2022.
- With the new Canon law guidelines for Contemplative communities, Minster Abbey is required to join a Congregation which would provide the structures required by the Church and best suit the needs of the community. The community have been examining various possibilities and are gradually coming to a decision. In 2022 we will make an application to a particular Congregation. This process has been slow due to Covid, but we hope that this will be achieved in the near future.
- The Minster Abbey Website was redesigned in 2021 and the initial work was carried out by Oxford Web designer. The community put a lot of effort and thought into the new presentation, and are excited about the number of people who find their way to Minster, just by discovering the new web site.

Plans for the coming year 2022

- As we gradually move out of the restrictions of Covid, we need to evaluate the time and energy we are able to expend on our mission of hospitality as well as the demands of an aging community.
- As a result of Covid, the sisters have reordered the Guest House. This means that we can provide simple, self-catering accommodation. By changing to self-catering accommodation, we are utilizing the potential of our property, and at the same time diminishing the demands on the community. This frees us to give support to our guests in new ways, without the heavy demands of catering. There are plans in progress to renovate a part of the Guest House in order to create a number of en suite bedrooms. An application for a grant for this work has been successful and stage one 1 of the project will be carried out early in 2022. Hopefully, the second stage will commence in the autumn of 2022.
- The trustees are committed to the promotion of ecumenical dialogue. We are hopeful that once restrictions are lifted, we will begin to meet face to face with local Church leaders. For the time being this is done by Zoom meetings and it may be necessary to continue this for some time.
- We will continue to offer hospitality to the Roman Catholic local Deanery leaders, and hope that lifting of restrictions will allow these gatherings to resume.
- As the community members grow older and with the number of younger women entering monastic life decreasing, it is important that the Trustees keep a good balance between the various demands of manual work, our work of hospitality and the needs of the community. Caring for the elderly and infirm members is important and we hope to be able to provide this care whenever possible. The Trustees are aware of the importance of regularly evaluating the needs of each person. This may result in a reduction of work in a particular area in order to maintain a balanced and spiritually enhancing monastic life.

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021**

Plans for the coming year 2022 (continued)

- It is important to build on the present online possibilities for contacting, discerning and accompanying women who present themselves as possible candidates. We hope to send one sister to participate in a formation course in Rome in 2022. This course is geared to preparing younger sisters for work in formation of the new members of the community.
- There are plans to redesign the Minster Abbey Exhibition which is situated in the Parkminster barn. The old exhibition is now ten years old and requires updating. We hope to create a more interactive presentation, using more up-to-date technology including interactive videos and public access by Q R Code. This will allow a greater number of people to access the Exhibition by Internet. We hope to be able to include many items on the Minster Abbey web site.

Reserves policy and financial position

Reserves policy

From the information provided it is clear that the charity carries out a range of activities and is responsible for the care and support of the sisters whose average age is increasing and whose needs are changing. The trustees have examined the need for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitments, the level of free reserves should be approximately equal to 12 to 18 months expenditure.

Long Term plans

The trustees do not anticipate any significant change to the charity or its activities over the next two to five years. It is their intention to continue to meet the following objectives:

- To work "for the advancement of the Roman Catholic Religion", as expressed through their life of prayer, welcoming the public to the various liturgical services and hospitality offered to the numerous people who come to the monastery.
- To provide Monastic experiences for young women who may be drawn to Minster Abbey.
- To continue to assess how we can meet the spiritual needs of people who come to us especially through our accompaniment and retreat work.
- To continue to care for the sisters and enable them to carry out their charitable work.
- To assess the needs of the sisters as they grow older and, if necessary, adapt the Charity's plans in respect of provision of care to elderly members.
- To be open to find new ways to offer pastoral care and support to the many people who come to Minster Abbey.
- To continue the programme of maintaining the ancient monastic buildings.
- To assess the long term use and maintenance of the outer buildings of the monastery.

**REPORT OF THE TRUSTEES
for the Year Ended 31 December 2021**

Governance, Structure and Management

St Mildred's Abbey, Minster is Benedictine, Roman Catholic monastery aggregated to the English Province, of the Subiaco Cassinese Congregation. The trustees of Minster Abbey are the Prioress, and others appointed by the Prioress. Trustees enjoy the same benefits as any other member of the religious community. The monastery is subject to the Constitutions of Minster Abbey, and to the precepts of the Code of Canon Law of the Roman Catholic Church.

Governance, Structure and management reporting

The Trustees are ultimately responsible for the policies, activities and assets of the charity. When necessary they seek legal advice, investment advice or property advice from consultants or professional advisors. The day to day management of the charity's activities and the implementation of policies are delegated to the appropriate members of the community. Under the terms of the trust deed, the power of appointing and removing trustees is vested with the Prioress of the community.

Mother Nikola Proksch – Prioress
Sister Benedict Gaughan
Sr. Johanna Caton
Sr. Aelred Erwin

Trustees' responsibilities

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 Charity's financial activities during the year and of its financial position at the end of the year.

The Trustees are responsible for keeping proper accounting records, which 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. They are also responsible for safeguarding the assets of the Charity.

Risk Management

The trustees actively review the major risks that the charity faces on a regular basis. The community is aware of the risks in the following areas:

1. A lack of direction.
2. Poor skills and training of its members.
3. The unwise use of its resources.

Operational - looks at the risks inherent in the charities activities including the retreat work and the operation of its facilities- difficulties with staff, poor health and safety policies, lack of disaster recovery policy etc.

Financial risks - include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, etc.

Reputational – looks at possible damage to the charity's reputation.

Laws, regulations, external and environment - looks at the effects of government policies, the consequences of non-compliance with laws, and regulations and poor risk assessment in the monastic buildings and guest facilities.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, and by examining the business risks faced by the charity, they have established effective systems to mitigate those risks.

Approved by the trustees and signed on their behalf by:

Mother Prioress Nikola Proksch OSB

Date:

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the Year Ended 31 December 2021

| | Notes | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | Designated Funds 2021 £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--|-------|------------------------------------|----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | | |
| Donations and legacies | | | | | | |
| Donations | | 111,880 | - | - | 111,880 | 124,930 |
| Grants | | - | - | - | - | - |
| Charitable activities | | | | | | |
| Rental income | | 15,930 | - | - | 15,930 | 14,882 |
| Guesthouse | | 555 | - | - | 555 | 7,545 |
| Other trading activities | | | | | | |
| Shop | | - | - | - | - | 129 |
| Investments | | 13,937 | - | - | 13,937 | 11,693 |
| Other | | | | | | |
| Pensions | | 86,515 | - | - | 86,515 | 67,489 |
| Livestock | | - | - | - | - | - |
| Total | | 228,817 | - | - | 228,817 | 226,668 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | | | | | | |
| Costs of trading fundraising | | - | - | - | - | - |
| Charitable activities | | 169,434 | - | - | 169,434 | 154,307 |
| Other | | - | - | - | - | - |
| Total | 3 | 169,434 | - | - | 169,434 | 154,307 |
| Net gains/(losses) on investments: | | | | | | |
| Gain/(loss) on revaluation and sale of inves | | 75,937 | - | - | 75,937 | (26,676) |
| Net income/(expenditure) | | 135,320 | - | - | 135,320 | 45,685 |
| Transfers between funds | | - | - | - | - | - |
| Other recognised gains/(losses) | | - | - | - | - | - |
| Net movement in funds | | 135,320 | - | - | 135,320 | 45,685 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 1,721,579 | - | - | 1,721,579 | 1,675,894 |
| Total funds carried forward | 11 | 1,856,899 | - | - | 1,856,899 | 1,721,579 |

Movements in funds are disclosed in Note 11 to the financial statements.

ST MILDRED'S ABBEY

STATEMENT OF FINANCIAL POSITION
31 December 2021

| | Notes | 31.12.21 £ | 31.12.20 £ |
|--|-------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 7 | 812,915 | 834,497 |
| Investments | 8 | <u>626,798</u> | <u>556,760</u> |
| | | 1,439,713 | 1,391,257 |
| CURRENT ASSETS | | | |
| Debtors | 9 | 4,536 | - |
| Cash at bank and in hand | | <u>414,199</u> | <u>331,886</u> |
| | | 418,735 | 331,886 |
| CREDITORS | | | |
| Amounts falling due within one year | 10 | <u>1,549</u> | <u>1,564</u> |
| NET CURRENT ASSETS | | <u>417,186</u> | <u>330,322</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u><u>1,856,899</u></u> | <u><u>1,721,579</u></u> |
| RESERVES | | | |
| Restricted funds | | - | - |
| Designated funds | | - | - |
| Unrestricted funds | | | |
| Income and expenditure | | <u>1,856,899</u> | <u>1,721,579</u> |
| | 11 | <u><u>1,856,899</u></u> | <u><u>1,721,579</u></u> |

The charity is entitled to exemption from audit.

The trustees have not required the charity to obtain an audit of its financial statements for the year ended 31 December 2021.

The trustees acknowledge responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with the Charities Act 2011 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of each financial year and of its surplus or deficit for each financial year.

These accounts have been prepared in accordance with the provision applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board of Trustees on and were signed by:

.....
Trustee
Mother Prioress Nikola Proksch OSB

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost and 20% on cost and 2% on cost

Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations, guesthouse income and pensions are included when received;
- Investment income is included when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with both the costs of attracting the income and those of providing the facilities to generate the income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

2. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No trustee received any remuneration during the year (2020 Nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2020 Nil).

ST MILDRED'S ABBEY

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

3. TOTAL RESOURCES EXPENDED

| | Basis of allocation | Minster Abbey repair and preservation | Religious activities | Shop | Guesthouse | Governance | 2021 Total | 2020 Total |
|---|---------------------|---|----------------------|----------|---------------|--------------|----------------|----------------|
| | | £ | £ | £ | £ | £ | £ | £ |
| Costs directly allocated to activities | | | | | | | | |
| Establishment costs | Direct | 28,911 | 28,537 | | 10,475 | - | 67,923 | 62,496 |
| Housekeeping | Direct | - | 16,418 | - | 508 | - | 16,926 | 15,868 |
| Social security | Direct | - | 1,630 | - | - | - | 1,630 | 1,775 |
| Chapel | Direct | - | 3,970 | - | - | - | 3,970 | 4,190 |
| Infirmary | Direct | - | 16,079 | - | - | - | 16,079 | 11,667 |
| Donations | Direct | - | 9,636 | - | - | - | 9,636 | 13,259 |
| Library | Direct | - | 2,215 | - | - | - | 2,215 | 717 |
| Garden expenses | Direct | 14,998 | - | - | - | - | 14,998 | 9,071 |
| Accountancy | Direct | - | - | - | - | 1,260 | 1,260 | 1,200 |
| Finance charges | Direct | - | - | - | - | 213 | 213 | 259 |
| Course fees | Direct | - | 1,405 | - | - | - | 1,405 | 503 |
| Support costs allocated to activities | | | | | | | | |
| Travelling | Usage | - | 1,641 | - | - | - | 1,641 | 1,771 |
| Communications | Usage | - | 1,978 | - | - | - | 1,978 | 2,102 |
| Post & stationery | Usage | - | 1,223 | - | - | - | 1,223 | 1,343 |
| Sundry expenses | Usage | - | 5,886 | - | - | - | 5,886 | 5,895 |
| Depreciation | Usage | 18,837 | 3,614 | - | - | - | 22,451 | 22,191 |
| Total resources expended | | 62,746 | 94,232 | - | 10,983 | 1,473 | 169,434 | 154,307 |

4. NET INCOMING RESOURCES FOR THE YEAR

These are stated after charging:

| | | |
|-----------------------------|---------------|---------------|
| | 31.12.21 £ | 31.12.20 £ |
| Depreciation - owned assets | <u>22,451</u> | <u>22,191</u> |

continued...

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

5. AMOUNTS WRITTEN OFF INVESTMENTS

| | 31.12.21 | 31.12.20 |
|---------------------------|---------------|-----------------|
| | £ | £ |
| Gain/(Loss) on investment | <u>75,937</u> | <u>(26,676)</u> |

6. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|-----------------------|----------------------------|------------------------------------|------------------|
| COST | | | |
| At 1 January 2021 | 540,649 | 544,538 | 1,085,187 |
| Additions | <u>-</u> | <u>869</u> | <u>869</u> |
| At 31 December 2021 | <u>540,649</u> | <u>545,407</u> | <u>1,086,056</u> |
| DEPRECIATION | | | |
| At 1 January 2021 | 110,930 | 139,760 | 250,690 |
| Charge for year | <u>10,813</u> | <u>11,638</u> | <u>22,451</u> |
| At 31 December 2021 | <u>121,743</u> | <u>151,398</u> | <u>273,141</u> |
| NET BOOK VALUE | | | |
| At 31 December 2021 | <u>418,906</u> | <u>394,009</u> | <u>812,915</u> |
| At 31 December 2020 | <u>429,719</u> | <u>404,778</u> | <u>834,497</u> |

8. FIXED ASSET INVESTMENTS

| | Other investments £ |
|--------------------------|---------------------------|
| COST OR VALUATION | |
| At 1 January 2021 | 556,761 |
| Additions | 31,500 |
| Disposals | (37,400) |
| Revaluations | <u>75,937</u> |
| At 31 December 2021 | <u>626,798</u> |
| NET BOOK VALUE | |
| At 31 December 2021 | <u>626,798</u> |
| At 31 December 2020 | <u>556,761</u> |

Cost or valuation at 31 December 2021 is represented by:

| | Other investments £ |
|-------------------|---------------------------|
| Valuation in 2021 | <u>626,798</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2021

8. FIXED ASSET INVESTMENTS - continued

If the investments had not been revalued they would have been included at the following historical cost:

| | 31.12.21 £ | 31.12.20 £ |
|------|-------------------|-------------------|
| Cost | 550,861 | 583,436 |
| | <u> </u> | <u> </u> |

Fixed asset investments were valued on an open market basis on 31 December 2021 by Henderson Global & Epworth Inv Managers.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.21 £ | 31.12.20 £ |
|--------------------------------|-------------------|-------------------|
| Prepayments and accrued income | 4,536 | - |
| | <u> </u> | <u> </u> |

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.21 £ | 31.12.20 £ |
|-----------------|-------------------|-------------------|
| Other creditors | 1,549 | 1,564 |
| | <u> </u> | <u> </u> |

11. MOVEMENT IN FUNDS

| | At 1.1.21 £ | Net movement in funds £ | At 31.12.21 £ |
|---------------------------|-------------------|----------------------------------|-------------------|
| Unrestricted funds | | | |
| General fund | 1,721,579 | 135,320 | 1,856,899 |
| Designated Funds | - | - | - |
| Restricted Funds | | | |
| Parkminster | - | - | - |
| Restoration fund | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>1,721,579</u> | <u>135,320</u> | <u>1,856,899</u> |

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

| | Incoming resources £ | Resources expended £ | Transfer in funds £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 304,754 | (169,434) | - | 135,320 |
| Designated funds | | | - | - |
| Restricted Funds | | | | |
| Parkminster | - | - | - | - |
| Restoration fund | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>304,754</u> | <u>(169,434)</u> | <u>-</u> | <u>135,320</u> |

**CHARTERED ACCOUNTANTS' INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES
ON THE UNAUDITED FINANCIAL STATEMENTS OF
ST MILDRED'S ABBEY**

We report on the accounts of the company for the year ended 31 December 2021, which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- 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
- to state whether particular matters have come to our attention.

Basis of independent examiner's report

Our 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

(1) which gives us reasonable cause to believe that in any material respect the requirements:

- to keep accounting records; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Hilary Adams Ltd
Chartered Accountants
158 High Street
Herne Bay
Kent
CT6 5NP

Date: