

THE BROTHERS OF THE FIRST ORDER

of the

SOCIETY OF SAINT FRANCIS

Registered Charity: Number 236464

Year to 30th June 2023

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THE BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS (European Province)

ANNUAL REPORT OF THE TRUSTEES Year to 30th June 2023

Legal and Administrative Details

Charitable Status

The Brothers of the First Order of the Society of St Francis (known as the Society) is a registered charity with the Charity Commission, number 236464.

Contact Details

Registered Address: The Friary of Saint Francis, Hilfield, Dorchester, Dorset, DT2 7BE.

Website: www.franciscans.org.uk

Email: bursarssf@franciscans.org.uk

Governing Instruments

The governing instrument for the Society is "The Constitution of the First Order of the Society of Saint Francis" (2011 known as the *Constitution*), which is read in conjunction with:

- a) "The Principles of the First Order" (1996, known as the *Principles*);
- b) "The Constitution of the Society of Saint Francis" (2001, known as the *Constitution (2001)*);
- c) "The Statutes of the European Province of the First Order of the Society of Saint Francis" (2018, known as the *Statutes*).

Trustees

In the Charity Commission publication, *The Essential Trustee* (CC3, May 2018) it states "Trustees must act reasonably and prudently in all matters relating to the charity and must always bear in mind that their prime concern is the charity's interests. The charity's income and property must be applied only for the purposes set out in the governing document." In coming to understand the role and purpose of trustees within the Society we also take account of the *Hallmarks of an effective charity* (CC10, July 2008) which asks that as trustees we ensure that our mission and planned activities are within the purposes set out in our governing documents (outlined above); that we have a clear idea of our mission and how our decisions and documents need to be regularly reviewed to ensure we are achieving our goals; that we are able to explain how all of our activities relate to and support our purposes, strategy and mission, and benefit the public; and that we consider our sustainability, balancing what is needed now with what will be needed in the future.

The trustees of the Society are taken to be those who serve on the Provincial Chapter¹, which meets three times a year (near to the feast days of St Francis, Candlemas and Pentecost). Some management of the Society is devolved to smaller working groups such as the mission, pastoral, and

¹ the Provincial Chapter is the Provincial governing body of the Order, which is here defined as the community of Brothers who have voluntarily dedicated themselves, or are planning to dedicate themselves, to "the service of our Lord Jesus Christ... following the evangelical counsels of poverty, chastity and obedience" (Formulae of Profession) in the spirit of Saint Francis of Assisi.

finance groups who can give more time and consideration to their respective areas of interest and make reports and recommendations to the Provincial Chapter. In addition, prior to the Pentecost Provincial Chapter meeting all Brothers attend the Annual Brothers' Chapter in order to discuss the aims, purpose and ministry of the Society and Order for the following year and beyond.

For the period of these accounts the following Brothers have served on the Provincial Chapter and so have been the trustees of the SSF:

- a) Minister General SSF (ex officio)
Christopher Masters - Br Christopher John SSF²
- b) Minister Provincial SSF (ex officio)
Alf Micael Christoffer Carlstrom – Br Micael Christoffer SSF
- c) Provincial Officers (ex officio)³
Martin Price – Br Martin John SSF, Novice Guardian
Peteris Zeltins – Br Peter SSF, Provincial Bursar
David Karl Martin Lanstrom – Br David SSF, Secretary
- d) Elected Provincial Chapter Members
William Clark Berge Jr. - Br Clark Berge SSF
Cristian Buliga – Br Cristian Michael SSF
David Fountain - Br Malcolm SSF
John Hennings - Br John SSF
James Yonge – Br Amos SSF
Nicholas Worssam – Br Nicholas Alan SSF
Hugh Cobbett – Br Hugh SSF
Arthur Winsper – Br Benedict SSF
Richard Double – Br Samuel SSF

Recruitment and Appointment of New Trustees.

The Minister General SSF is elected internationally by all professed Brothers⁴ of the Order, initially for a term of six years. The Minister General may hold the office for two terms, the second of which is four years long.

The Minister Provincial is elected by all professed Brothers of the European Province of the Order for a five-year term. The Minister Provincial may hold the office for two terms.

The Provincial Officers are appointed to office by the Minister Provincial and their appointment is ratified by the Provincial Chapter. There is no set term to their appointment.

The elected Chapter members are elected by all professed Brothers of the European Province of the Order for a three-year term. They may hold the office for two terms and are then not eligible to be elected for one year.

Induction and Training of Trustees.

² Individuals' legal names are given first, followed by the individual's name in Religion.

³ The Provincial Officers are ex officio trustees when they are also a life professed brother.

⁴ A professed Brother is a member of the Order who has taken vows of the evangelical counsels of poverty, chastity and obedience. A life professed Brother is a member of the Order who has taken these vows for life.

All Brothers, upon their novicing, receive the Manual that includes a copy of the governing instruments relating to the Society and the policies, norms and precedents of the charity. Therefore, all trustees of the Society have a copy of our governing documents. Upon becoming a trustee, the brother is given a copy of the Charity Commission publication, *The Essential Trustee* (CC3, May 2018) and *Charity Finances: Trustee Essentials* (CC25, March 2017).

The office bearers of the Order, especially the Minister Provincial, the Provincial Bursar and the Provincial Secretary, take the initiative in keeping themselves informed of current best practice in the area of being a trustee or any changes in statute and these officers also take responsibility that our current trustees and any new trustees are kept informed of changes and that our governance is in the spirit and letter of the law.

Transactions with Trustees

The trustees of the Society are also Brothers of the Order and as such have made a vow of poverty under which they have renounced all personal rights to income and property. The Society provides for the essential needs of all members of the Order. The living costs of the trustees are, therefore, borne by the charity.

Bishop Protector

The Society, as a Religious Order within the Church of England, also has a Bishop Protector, whose role is outlined within our governing documents. The role is presently fulfilled by The Rt Revd Christopher Chessun, Bishop of Southwark.

Organisations and Persons Working with or on behalf of the Society

- a) Bankers: The Cooperative Bank, 80 Cornhill, LONDON, EC3V 3NJ
- b) Auditor: Greaves West & Ayre, Chartered Accountants, 17 Walkergate, Berwick-upon-Tweed, TD15 1DJ.
- c) Investments managed by: CCLA Investment Management Ltd, The CBF Church of England Funds, Senator House, 85 Queen Victoria Street, LONDON, EC4V 4ET.
- d) Insurance Agent and Adviser: Marsh Commercial, 1 Tower Place West, London, EC3R 5BU (from March 2020).⁵

Policy on Investment

"The brothers... desire to have no security resting on earthly possessions but to be wholly dependent on God, relying on faith and prayer... The First Order itself shall not normally hold any land, building or capital in its own name but shall, when possible, place all property of which it may have the use into the hands of others" (*Constitution* 35:1 and 2).

The Society is not restricted in its investment powers, except where legally required. However, it is neither in the spirit of the Order, nor in its interpretation of the Gospel of Christ after the way of Saint Francis, to invest in any material or financial asset other than to provide income for the day-to-day simple needs of the brothers (with a particular care for those of elderly brothers) and for the ministries of the Society. The investments recorded in these accounts relate directly to designated funds, where such funds have been established by the Provincial Chapter for specific purposes. We

⁵ EIG policy number from July 2020 05ACI0382301

are constantly aware of ethical issues surrounding investments and so try to invest our assets in an ethical manner.

Information Commissioner's Office

The Society of St Francis is registered with the Information Commissioner's Office, reference number ZA765416.

The Annual Report

The Objects of the Society

"To build up a body of men and women who, accepting Christ as their Lord and Master, will seek to follow him in the way of renunciation and sacrifice as an act of witness and for the loving service of his brethren in the world... [To minister] to the uncared-for, the sick, the suffering and needy." (*Principles*, Day 2 & 21).

"Praise and prayer constitute the atmosphere in which the brothers and sisters must strive to live. They must endeavour to maintain a constant recollection of the presence of God and of the unseen world. An ever-deepening devotion to Christ is the hidden source of all their strength and joy. He is for them the One all-lovely and adorable, God incarnate, crucified and risen, whose love is the inspiration of service and the reward of sacrifice... chiefest of all forms of service that the brothers and sisters can offer must ever be the effort to show others in his beauty and power the Christ who is the inspiration and joy of their own lives." (*Principles*, Day 14 & 22).

Public Benefit

Throughout this report the trustees have sought to highlight those activities undertaken by the Society in furtherance of its charitable objectives for the public benefit and for the promoting of religion.

The Society usually gives special consideration to how effective we are in our objects when all the Brothers meet in our Annual Brothers' Chapter, which meets just before the Pentecost Provincial Chapter. It is at this meeting that we give consideration to where the Order is currently living, working and ministering and what changes and developments need to take place.

Many examples of our work can be found on our website www.franciscans.org.uk and through our publication *Franciscan*.

Co-operation

The Brothers of the First Order of the Society of Saint Francis is a Religious Community for men in the Anglican Communion. The work of the Order is spread throughout the world and divided into five provinces of brothers and two of sisters of which the European Province is one. The unity of the Order as a whole is supported by a degree of financial interdependence, whereby the particular needs of one province can be met by the available resources of another. The Society therefore benefits from this international co-operation.

The Society also particularly benefits from co-operation in some areas of work and administration with the Community of St Francis (The Sisters of the First Order of the Society of St Francis - registered charity number 286615) and with the Society of Saint Francis Central Fund (registered charity number 280238).

Governance and Management

The Society administers its funds through various addresses and centres of work in the UK and one overseas location in Assisi, Italy. These are related to the Provincial General Fund in the same way as the spokes of a wheel to the hub. The houses help to finance the Province as a whole whenever they are able to generate a net surplus within a given year. At the same time, the Province

undertakes to meet local requirements as agreed through annual budgeting. The aim of this system is to allow for a degree of local discretion in financial policy making whilst maintaining an interdependence and mutual accountability between our brothers as a whole.

Each address of the Society administers an account locally for the support of the brother(s) living and working from it and also to assist in the mission of the Society in that locality. Into these are received donations, part-time wages and other local receipts. It can also receive transfers of funds from other Provincial Funds should they be required, or contribute towards the income of the Province as and where there is a net gain.

“Each Community shall have a Provincial Fund, which shall be administered by the Minister with the assistance of the Provincial Bursar... The Provincial Bursar shall be responsible for the preparation of an annual budget of expenditure for the Provincial Fund and for submitting it to the Minister and Chapter for approval before the commencement of the financial year to which it refers... Payments within the budget require no further authority but permission to make payments outside the approved budget can only be granted by the Minister, in consultation with the Provincial Bursar” (*Statutes*, 11.1-11.3).

The Bursary Team

The financial and legal management of the Province is undertaken by the Bursary Team, appointed by the Provincial Chapter. This consists of Br Peter, the Bursar with responsibility for day-to-day receipts and payments, the preparing of the annual Provincial Budget, the overseeing of our accounts and relationship with the Cooperative Bank, preparing figures for the annual accounts and working with Greaves, West & Ayre, our auditors; Br Samuel who has oversight of financial policy, capital projects, legal matters and insurance, and who convenes and chairs the Bursary Team; Br David with oversight of compliance cyber security and data protection throughout SSF.

The team works together closely and meets weekly by ‘Google Meet’ for consultation and decision-making. Br Micael Christoffer as Minister Provincial attends meetings of the Team when he is available in order to be kept in touch with any major decisions and matters of policy.

One or two members of the team usually attend the annual conference of the Association of Provincial Bursars which gives opportunity for the sharing of wisdom about governance of religious communities and for meetings with our insurance brokers and investment managers.

Management assistance.

With the increasing requirements of management, the Provincial Chapter has decided to employ someone from outside SSF who has professional training and experience of charity management on a part-time basis to complement the members of the Bursary Team. It is hoped that an appointment will be made by the start of 2024. This will allow Br Samuel, after a period of hand-over, to stand back from his responsibilities in the team.

The Provincial Funds are divided into the following parts:

The General Fund

The General Fund includes all the income and expenditure of the Provincial General Fund and the house accounts, as described above. The Provincial General Fund co-ordinates the work and mission of the Society, receiving the pensions of the brothers, as well as other revenue and capital receipts.

The Designated Funds

The Society also administers funds designated for specific purposes within the scope of the Provincial Funds and in keeping with the objects of the Society. Any interest received on these funds is transferred automatically into the General Fund. Details of these designated funds are listed in note 12b of the accounts.

i) Care Fund:

This provides funds towards the support and respite care for elderly or infirm brothers; also available for payment of services not available via the NHS: Dentistry (increasingly hard to find NHS dentists), opticians, and private counselling. £9,285.20 was expended from this fund during the year, leaving a balance of £295,017.

ii) Bequest Fund:

This fund received the unrestricted legacy income of the Province totalling £81,974. £428,351 was brought forward from the previous year. At the end of the year £510,325 was transferred to the Development Fund, leaving a zero balance at the year end.

iii) Income Tithe Fund:

A tithe based upon the income of the General Fund is set apart according to an agreed policy primarily to help relieve the needs of the world's poorest and to address particular requests from within the Society. Small grants are made to meet the needs of individuals with larger grants available for charitable organisations with links to the brothers of the Society. The sum identified as a tithe of income for the year ending 30th June 2022 was £20,796 and this was allocated throughout the year 2022-23. £20,000 was transferred from the General Funding at the year-end, 30th June 2023. This will be allocated throughout the year 2022-24. Further information on our charitable grants in 2022-23 can be found in note 13 of these accounts.

iv) Development Fund:

The capital and the income from this fund is available in order to help offset costs relating to capital projects. All unrealised gains and losses on our investments (this year £3,883) appear in this fund. £510,325 was transferred to this fund during the year from the Bequest Fund, leaving a balance at the end of the year of £1,087,914.

v) Fixed Asset Reserve:

Principally records the value of the properties and vehicles listed on the Balance Sheet after adjustments for additions, disposals and depreciation have been made. The majority of the expenditure is due to depreciation, being counteracted by some improvements and small new purchases. (See note 5 of the accounts).

vi) Renewable Energy Fund:

Being aware of the priority for reducing carbon emissions this fund exists to encourage the use of alternative energy sources. £39,835 was received into the fund during the year – transfers from the

Development Fund and a grant from the SSF Central Fund Trustees. £8,258 was expended - on an energy audit for Alnmouth Friary and insulation for the library building at Hilfield, leaving a balance of £41,577.60 for project earmarked for 2023-24.

vii) Emmaus House, Pickering, Fund:

The property in Pickering has been used by various members of the Order and of the sisters of the Community of St Francis for times of retreat, holiday and, to a limited extent, study; all of which are the intentions of maintaining the property and for which this fund covers the running costs. The fund receives an annual donation of £2,000 from the Community of St Francis for the property's use by sisters and there was a transfer from the Provincial General Fund of £2,500 leaving an end of year balance of £8,023.

viii) Hilfield Fuel Fund

A fund set up for Hilfield Friary to put aside money for the purchase of local wood for the Biomass Boiler. Since it was decided not to purchase wood during the year, the £7,033 balance was transferred to the Renewable Energy, leaving a zero balance.

The Restricted Funds

The Society also administers funds restricted for specific purposes within the scope of the Provincial Funds and in keeping with the objects of the Society. Any interest received on this fund is transferred automatically into the General Funds. Details of the restricted funds can be found in note 12c of the accounts.

i) PNG Bursary Fund:

Established with a gift in memory of a past SSF brother; the donor's wish being that it may benefit programmes of study for Brothers in the Papua New Guinea Province. There was neither income nor expenditure from this fund during the year, leaving a balance of £4,181 at the year-end. The SSF Central Fund Trustees have now agreed to receive the capital from this fund in order for it to be more directly available to those who are working with the PNG Province.

ii) Hilfield Bequest Fund:

Income is covenanted to the Order for the care and maintenance of a long-term resident of the friary.

iii) Hilfield Land Grants Fund:

The purpose of this fund is to receive various grants from the Government's Rural Payments Agency for conservation work on the Friary's land and to pay for this work. During the year £64,509 was received from the RPA together with a £10,000 legacy for the building of a Shepherd's Hut. Payments were made of £29,653, leaving a balance of £51,111 (there is often a time-lag between receipts and payments which overruns the year-end).

iv) Glasshampton Fund:

A fund for the use of the Monastery of St Mary at the Cross, Glasshampton. During the year there was expenditure on fire safety measures, repairs to the clock tower and windows totalling £12,132, leaving a balance of £28,008 at the year end.

v) The SSF Education Fund (previously The Hilfield Education Fund)

For a number of years annual grants of £5000 have been received from the St Denys' Warminster Trust in support of education programmes at Hilfield Friary. During the year the St Denys Trust has been in the process of being dissolved and its capital distributed to its regular beneficiaries. Consequently, this year the Fund has received a one-off grant from the Trust of £50,000. Following an approach to the St Denys Trustees they have agreed to the money being applied more widely for education projects throughout the European Province of SSF. It was therefore decided to rename the Fund accordingly. Grants of £3,693 have been made during the year, leaving a balance of £73,209.

vi) Assisi Fund:

This fund exists for the financial management of the chaplaincy based in our rented apartment in Assisi. The SSF receives a grant of £5000 from the SSF Central Fund Trustees and the occasional fees for weddings undertaken by the chaplaincy. Expenditure on rent for the apartment was £8,699 leaving a balance of £7,416.

vii) Sanctuary Seekers Fund:

From a £10,000 grant received in 2020 to assist the ministry of the brothers working with asylum seekers and refugees, particularly in our urban friaries. With an opening balance of £7,984 and expenditure of £2,400 on the work in Leeds the closing balance stands at £5,584.35.

viii) Formation Fund:

For the purpose of supporting novices and on-going formation within SSF, particularly for conferences and for educational material. £4,095 has been expended from an opening balance of £9,111 leaving a balance of £5,016.

ix) Alnmouth Fund: for supporting the life and work of the brothers in the North East. Donations to this fund were received from Robert Wilson (£9000) and the Rothley Trust (£800). Expenditure during the year on a new phone system, general repairs and equipment replacement totalled £10,220, leaving a balance of £5,994.20.

x) Plaistow Fund:

Money from legacies and donations received for the support of the life and ministry of the brothers at 42, Balaam St. A bequest of £1000 was received from the estate of Patricia Smalldon. There was expenditure on repairs to the house totalling £14,700, leaving a balance of £4108.29.

Reserves Policy in accordance with our Objects:

According to the Principles of the First Order of SSF, our security comes from God alone and not from the establishment of large reserves of capital, financial or otherwise. In order that we may seek to live in tune with this it is our policy that the Provincial General Fund should not normally accumulate significantly more than 50% of the annual expenditure from the previous financial year in order to protect the charitable activities of the Society. The General Fund on the 30th June 2023 held £422,287 and the annual expenditure was £537,807.

While we believe that brothers are to hold nothing in reserve, the trustees realise that the charity has a duty of care to look after elderly and infirm brothers and to maintain the properties from which its ministry is based. It is projected that due to age profile of brothers in the Province income

from pensions is likely to decline significantly over the next ten years. In the light of this the Provincial Chapter June 2023 re-affirmed the decision in June 2020 to build up our investment portfolio in order to provide a level of income equivalent to the expected fall in pension income.

Annual review of transactions and financial position of the Charity

Income:

It is the current policy of our Provincial Chapter to budget our annual revenue expenditure against live income. We gratefully acknowledge that income apart from legacies usually covers our basic costs. Income from legacies is held as a separate designated fund. The income from interest earned on the designated and restricted funds and local house accounts are taken into the General Funds. We are again reminded this year of God's blessing through the generosity of so many friends and supporters throughout the year.

The chief areas of regular income continue to be:

- the generous donations people give us (£488,451)
- legacies (£198,974)
- the gift aided pensions and salaries of our members (£165,887)
- book and shop sales (£36,656)
- income from interest and our investments (£50,357)
- renewable energy incentives (£31,854)
- income from investment properties (£21,355)
- Brothers' engagements (£9,841)

In a broad sense these categories could all be seen as money 'earned' through the ministry of the brothers and the Trustees wish to acknowledge here the invaluable part that individual brothers and houses play in the material running of the Province as a whole.

Expenditure:

The expenditure of our houses and the support of the life and ministry of our brothers in the year totalled £665,918 (see note 4a in the accounts). The cost of Governance for the charity totalled £34,947 (see note 4a within the accounts). Staff costs were £20,649.

Our charitable giving in the current year totalled £50,930. Note 13 in the accounts sets out our policy regarding donations and gives a summary of these donations.

Budgeted items of capital expenditure totalling £518,503 were agreed at the Annual Brothers Chapter June 2023 and confirmed at the subsequent Pentecost Provincial Chapter. These are for repairs and maintenance to our larger properties.

Assets held for designated purposes.

The majority of the monies of the Society are held with the CCLA Investment Management Ltd (The CBF Church of England Funds) and the Ecology Building Society in order to support the Funds designated for specific purposes. These Funds are outlined above and in the notes of the accounts. The investments of the Society are shown on the Balance Sheet at market value, with the original cost being recorded in Note 9.

Financial position at 30th June 2023 with regard to future commitments and liabilities.

At the Pentecost Meeting (June) of the Provincial Chapter the members consider, in the light of budgets submitted by the houses and by other individual members, what commitments may be undertaken across the Province, bearing in mind our anticipated financial position. Once the books for the previous financial year have been closed the Province may adapt the budget to take account of any unforeseen changes and will then embark upon the agreed programme.

The plan to maintain our freehold properties is considered in conjunction with advice received from regular quinquennial reports. We fully recognise our ongoing responsibility for all our freehold properties and a regular programme of maintenance continues.

The 2023-24 annual budget reflects three financial priorities over the coming years:

- to build up our investment portfolio to balance the projected reduction in income from brothers' pensions over the coming years.
- to make better provision for the on-going care of older or more infirm brothers, particularly in our urban houses which are better placed than houses in rural situations for drawing upon the necessary services.
- to invest in measures which will enable us to move towards Carbon Neutral by 2030.

Note 8 of the accounts lays out our proposed capital work for the year 2023 - 24 in order to maintain our properties and operations. £10,000 is set aside for the discretionary use by the Provincial Bursar to buy and repair equipment that cannot be planned, such as boilers, laptops and washing machines.

£41,200 of costs have been identified at Alnmouth Friary, following a quinquennial survey for repairs to the roof of the Sacrament Chapel, for replacement of windows in the library, main chapel and sacrament chapel, for repairs to stonework and redecoration of the chapel, as well as insulation work and the installation of solar panels following an energy audit.

£40,000 has been allocated for the property in Birmingham to complete repairs according to the 2019 quinquennial report, insulation and solar installation following an energy audit and improvements of access for those with limited mobility.

£39,165 of repairs have been identified for the year at Glasshampton; of which £10,000 expected for work identified in the forthcoming quinquennial survey, £8,000 repairs to the mechanism of the clock in the tower; £15,3936 for solar installation and conversion of the Aga to electricity, and £3,936 for replacement of a boiler.

At the Friary of St Francis, Hilfield, £21,590 has been agreed for insulation work, repairs and for building a hermitage.

A significant item in the 2023-24 capital budget is the replacement of the prefabricated residential building in the garden of 42, Balaam St, Plaistow at a projected cost of £350,000.

Use of Volunteers and Donations to the Charity.

The Society is blessed by the generosity of those who support it, not solely by money, but also by our volunteers and the time that they give to help in practical ways. This is received from those who perform works for houses at considerably reduced rates. Others provide freely of their time or gifts and yet others support us in their prayers. In the main part, these small acts of generosity are performed on a local or personal level, one brother or one house receiving the benefit. Consequently, these donations are not quantifiable within the formal structure of an Annual Report but the thanks of the Society must be recorded.

Data Protection

A data audit is carried out annually to comply with the General Data Protection Regulation. As the Friary of St Francis, Hilfield, now has a CCTV system to aid security, the Society of St Francis now has a CCTV Policy and is registered with the Information Commissioner's Office.

Serious Incident Reports

There were no serious incidents reported during the year.

Risk Management

The Trustees have conducted their own review of the major risks to which the charity is exposed and have set in place systems to mitigate these risks. Internal risks are minimised by the implementation of policy, norms and precedents (which are regularly reviewed) and these are given to all new members of the community. A regular review is maintained of bank balances to gain maximum benefit at a time when deposit rates fluctuate, and the Provincial Finance Group continues to monitor other safe deposit opportunities.

Safeguarding

The Independent Inquiry into Child Sexual Abuse has highlighted the historic inadequacies of the Church of England and religious orders in protecting children from all forms of abuse, but particularly sexual abuse. The Society takes its responsibilities towards safeguarding very seriously and reviews its Safeguarding policies annually. It has been agreed that all brothers and volunteers must have training, renewed every three years, to the C0 and C1 level. A Safeguarding Officer for each house is appointed annually at the Pentecost Joint meeting of the Chapters and is expected to undergo C2 level training on the same basis. In addition, those brothers who are ordained and hold a licence or Permission to Officiate have to receive training from the diocese in which they are ministering. During the year Br Samuel was appointed as the Designated Safeguarding Person for the Society.

A joint Safeguarding Committee with The Community of St Francis - made up of the two Ministers Provincial, both Designated Safeguarding Persons and the link brother or sister for the insurance brokers - meets twice yearly to consider matters of safeguarding. Our safeguarding is with the Diocese of Southwark and there have been meetings. A Harassment and Bullying Policy and a Formal Complaints Policy have been endorsed by the Chapter and the Safeguarding policies have been reviewed.

Cyber Security & Internet Provision

We are aware of the growing complexity around computer use and the risk to the Society of computer viruses and problems, potentially leading to the leaking of personal data or online fraud.

We are also aware that our reliance on the internet since lockdown has increased the level of risk through online purchases and theft of data. The Society is always reviewing its systems to ensure that our computers and the information they hold are protected and can be best utilised for the benefit of the Order and our charitable aims. An annual audit has been established of all devices used by members of the Society and all brothers are expected to undertake training in awareness of the risks of cybercrime.

Review of the development of the Society

As a Religious Community, the Society does not measure achievement or development quantitatively, but rather in terms of improvement to the quality of service that we give to those in our care and also by extending the scope of our ministry through co-operation with other organisations and individuals. A Development Group, consisting of Br Micael Christoffer, Br David and Br Samuel has been meeting over the year with a consultant, Ms Anita Konrad, to review our assets – both of buildings and personnel, to identify our allies and to discern priorities for the Province.

The Development Group recognised that brothers in all the houses have been expressing that they are overstretched with insufficient numbers to sustain comfortably the life of prayer, fraternity and service. As a result of this it was decided at the Pentecost Chapter 2023 to bring to an end our work with asylum seekers in Leeds. At the same Chapter, however, it was decided to accept an invitation from the Diocese of Edinburgh to re-establish a presence in the parish of St David's Pilton, a place we left forty years ago. This may seem a contradiction of Development Group's recommendation but it was felt that our new presence Edinburgh will not be as demanding on personnel for the Province as it involves a brother who had previously been living outside a community house. With the use of the parish house and a full stipend it will also make a substantial contribution to our Provincial finances.

The Life and Ministry of SSF.

The life and work of the brothers takes place in and beyond our houses. We here offer a short review of where we are and the sort of ministries with which we are engaged. It is our belief that this shows our commitment to our Franciscan vocation to serve God and to share with others God's love in Jesus Christ in a practical way.



Alnmouth Friary

Midway between Newcastle and Berwick-upon-Tweed with a spectacular view of the Northumberland coast, the Friary is home to five brothers who offer hospitality throughout the year to a large number of day visitors and resident guests who come for retreat, for rest, and to share in the rhythm of prayer which is central to the life of the community. A

highlight of the ministry during the year is an involvement with the Alnmouth Arts Festival.

Most of the work of the Friary – cooking, cleaning, gardening, maintenance, washing up – is undertaken by the brothers with the assistance of local friends and usually a resident volunteer. In addition, the brothers are available with a listening ear, an understanding mind, and an open heart to those who come. Generous support is given in the form of donations which covers the cost of running this large (and expensive to heat and maintain) building. Following a quinquennial survey, a major renovation of the building fabric is planned for 2023-24 and beyond. An energy audit has identified ways in which the Friary will be able to become less reliant of fossil fuels. Soft fruit bushes and apple trees have been planted in order to contribute to food supply. In addition to the ministry within the Friary some the brothers have been able to undertake ministries of preaching, leading retreats and speaking at conferences on Franciscan life.



Leeds

The brothers have been based in the Harehills area of Leeds since 2008 offering hospitality to men seeking asylum in the UK - over the past year they have hosted men from Kurdish Iraq, Sri Lanka, Somalia and Kuwait. Support is given to those who are applying for leave-to-remain, occasionally involving attending court hearings with them, and contact is once this has been granted and they have moved on to other accommodation. There are good relations with neighbours in this predominantly Muslim area but there is also engagement with the local parish of St Aidens and the

work undertaken there with the large number of people who are living close to poverty, and with other parishes in the city. It's with regret that the decision was made for the brothers to leave this place and this work after more than fifteen years. However, we are in negotiation with an allied organisation that is working in the same field of support for asylum-seekers, for them to buy one of the two properties and lease the other so that this work can continue.

Glasshampton

Based in what was once the stable block of a grand and long disappeared house, our 'monastery' is a place of silence, prayer, study and reflection. It is open to guests who come for up to six days to share in the simplicity of the life, to use the fine library and, if they wish to meet with a brother for discernment and counsel. It is also a place of formation for novices to the order who spend one of their three novitiate years there, and of refreshment and study for those who are professed. During the past year

'Being Franciscan' a work on some of the early Franciscans written by the Guardian of the house, was published by the Canterbury Press.



Hilfield Friary.

SSF's 'foundation house' in Dorset is set below the escarpment of the Dorset Downs. Based around what was originally a farm it has the feel of small village consisting of eight separate buildings. This gives opportunity for a substantial ministry of hospitality; over the past year more than 4,200 guests, both residential and day visitors, were welcomed – individuals and groups for retreat, rest or to share in the life, prayer and worship of the community. The four or five brothers are at the heart of the wider 'Hilfield Community' of volunteer members which includes young people on placement, a priest in training, people from overseas and three families. Ages range from 4 to 84. A major work is focussed on the care of the land and natural environment, the 50 acres of land being carefully managed to guard and increase biodiversity. Much effort has been put in over the years to reduce the Friary's carbon footprint with growing food, a biomass heating system, 120 solar panels, and a continuing programme of insulation. The Friary has become a model of the integral ecology outlined in Pope Francis' encyclical '*Laudato 'si – On Care for Our Common Home*', and was the first place to receive an Eco-church Gold Award. There are developing relations with neighbouring land-holders for the conservation of a number of threatened species and with schools which are incorporating ecology studies within their curriculum. It is planned to build an on-site classroom to accommodate school groups. As well as their commitment to the life of the Friary the brothers have undertaken speaking and other engagements in various parts of the UK.

Birmingham Friary

A house offering hospitality to those seeking asylum in cooperation with other groups in the city and engaging with the life of local churches. One brother assists at a local Drop-in Centre; another is serving a part time curacy in a parish on an outer-ring housing estate to the north of the city. The decision was taken during the year to use this house as a place of formation in urban ministry for novices and there is presently one novice brother based there. It is planned to invest in a programme of insulation and solar panel installation during 2023-24.

Plaistow Friary – The House of Divine Compassion

There have been religious brothers living in Plaistow since 1884 and SSF took over the house in 1952. There are now three brothers living here along with up to six people who would otherwise be homeless. There is also usually a room available for short term guests. Helping Hands, a sister charity established by the brothers, rents space in the house and extends the engagement of the brothers within the very culturally and religiously diverse local community. Daily deliveries of food



from the Felix Project which recycles food from supermarkets are offered for collection at the door. Being an old listed building the house is expensive to run and heat but there is generous financial support from a number of regular donors. There is a plan being worked on to redevelop the 'temporary' building in the garden which provides six bedrooms and houses the chapel which has survived more than sixty years but is now feeling its age. Its replacement will be an eco-building which should substantially reduce costs.

Canterbury

Br Austin was living for the past six years at 134 Wincheap, a small house bought six years ago, but has now moved to the St John's Almshouse within the city walls. The initial plan was to sell the property, but with the property market very slow during this past year it is now in the process of being prepared it for letting. Austin continues to assist with organising a rota of priests for the Greyfriars Chapel and occasionally preaching at the Cathedral.

Belfast

Br David Jardine continues a long-established ministry of preaching, prayer and healing in the city and beyond. He lives in accommodation provided for him by the Divine Healing Ministries and the parish of St George's Belfast, and he is supported financially by a generous local donor.

More examples of our work and ministry can be found on our website and Facebook pages:

www.franciscans.org.uk and also through the triannual publication of *Franciscan*

<https://hilfieldfriary.org.uk/>

@TheCommunityAndSocietyOfStFrancisEuropeanProvince

@HilfieldFriary

Our Minister General has been making Youtube videos of our houses as he travels around the world, which can be found at:

<https://www.youtube.com/user/AnglicanFranciscan>



TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Acknowledging the guidance of the Charity Commission's 'Internal financial controls for Charities' (cc8 – July 2012) and especially the very helpful checklist, as Trustees we are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the SSF and of the incoming resources or application of resources of the trust for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

It is our duty as charity trustees to ensure that the charity's resources are protected in order that the charity can fulfil its aims. We recognise it is important that all those working in the charity whether trustees, Brothers, staff or volunteers take the issue of internal financial controls seriously. Making controls work should not be seen as just the responsibility of one or two trustees or senior office holders, or as applying to some but not others.

The aims of our internal financial controls are:

- to protect the charity's assets;
- to identify and manage the risk of conflicts of interest, loss, waste, bribery, theft or fraud;
- to ensure that financial reporting is robust and of sufficient quality; and
- to ensure that we comply with the charity law and any regulations relating to finance.

It is our belief that we live our lives and conduct ourselves as trustees that we do indeed keep ourselves informed about the relevant factors of managing a modern and well-run charity; not just our financial responsibilities but also that we keep to the spirit and principle of our charitable objectives and keeping ourselves aware of the developing role for charities in the world in which we find ourselves.

Signed  Minister Provincial and Chairman

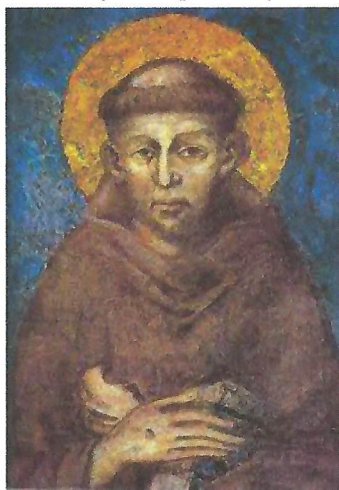
26 January 2024

Sweden.

There are historic links between The Society of St Francis and Lutheran Christians in Sweden, maintained over the years largely through the Third Order of SSF. Now, with two Swedish life-professed members of the First Order, the Provincial Chapter is seeking to develop this relationship. The Provincial Chapter has responded to an invitation from the Diocese of Vasteras to build a closer partnership. This may involve visits by brothers of the First Order to parishes in this and other Swedish dioceses, fuller co-operation with Swedish tertiaries and reciprocal visits from Sweden to the UK. It is hoped that some may come to live as volunteers in our friaries and that vocations to the First Order will be encouraged and nurtured.

Assisi – the City of St Francis and St Clare

For the past eighteen years SSF has supported a chaplaincy of the Church of England Diocese



in Europe in the city of Assisi, renting an apartment in the city and arranging for chaplains from both the First and Third Orders of the Society to minister for a month or more at a time to the Anglican and non-Roman Catholic pilgrims. There is a small core of Anglicans who worship at the medieval church of St Leonard's with the permission of the Roman Catholic Bishop, and who are joined, especially from April to October, by pilgrims and other visitors. Good ecumenical links have been established and there is a world-wide network of friends who support our presence in this place where St Francis' message of peace and joy in creation is a powerful witness in the conflicted and broken world of today.

Independent Auditor's Report to the Trustees of The Brothers of the First Order of the Society of Saint Francis

Opinion

We have audited the financial statements of The Brothers of the First Order of the Society of Saint Francis (the 'charity') for the year ended 30 June 2023 which comprise the Balance Sheet, Statement of Financial Activities, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Charities Act 2011;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, contacting the entity's solicitor for any details of non-compliance and inspecting current year legal expenditure; and
- identified laws and regulations of particular relevance were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

To address the risk of fraud through management bias and override of controls, including any fraud associated with revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 5 – Fixed Assets were indicative of potential bias;
- traced a sample of income transactions from source documentation to nominal ledgers;
- traced a sample of income, including legacies, around the year-end from source documentation to invoice to ensure cut-off is operating correctly; and
- evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims against the charity;


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

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities (Accounts & Reports) Regulations 2008 and the regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Greaves West & Ayre is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.


Greaves West & Ayre
Chartered Accountants
Statutory Auditor

Date: 1 MARCH 2024

17 Walkergate
Berwick upon Tweed
TD15 1DJ

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Balance Sheet
as at 30th June 2023

	Notes	2023	2022
		£	£
Fixed Assets			
Buildings - Freehold	5	4,490,817	4,577,629
Buildings - Leasehold	5	0	0
Motor Vehicles	5	378	4,681
Equipment	5	7,667	7,702
Renewable Energy	5	179,757	188,882
Investment Properties	7	450,000	450,000
Investments	9	1,528,400	1,064,517
		<u>6,657,019</u>	<u>6,293,409</u>
Current Assets			
Stock		3,919	3,315
Debtors and prepayments	14	161,889	445,296
Bank and Building Society Deposit Funds		336,821	205,812
Cash at Bank		155,462	152,893
Cash in Hand		450	579
		<u>658,541</u>	<u>807,894</u>
Current Liabilities			
Creditors owing	15	(16,309)	(23,388)
Net Current Assets		<u>642,231</u>	<u>784,507</u>
NET ASSETS	10a	<u>7,299,250</u>	<u>7,077,916</u>
FUNDS			
Designated Funds	12	6,581,150	6,576,683
General Funds	12	422,287	375,709
Restricted Funds	12	295,812	125,524
TOTAL FUNDS		<u>7,299,250</u>	<u>7,077,916</u>

N.B. The notes on pages 27 to 40 form a part of these accounts.

Signed 
Micael Christoffer - Trustee and Minister Provincial


Br Peter - Trustee

Date 26.01.2024

26.01.2024

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Statement of Financial Activities.
for the year ended 30th June 2023
Current year

		General Fund	Designated Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
Income and endowments from:	<i>Notes</i>					
Donations and legacies:						
Donations and Trust Income		371,667	44,803	71,981	488,451	336,781
Legacies		-	81,974	117,000	198,974	438,351
Covenanted Salaries, Pensions and Benefits		162,757	3,130	-	165,887	304,779
Investments:						
Interest and Investment Income	9	50,357	-	-	50,357	31,977
Property rental income		21,355	-	-	21,355	19,721
Charitable Activities:						
Engagements		9,841	-	-	9,841	13,677
Other:						
Renewable Energy Incentives		31,854	-	-	31,854	20,193
Surplus on disposal of Vehicles		-	-	-	-	-
Stewardship Income		-	-	59,629	59,629	76,705
Miscellaneous Income		-	-	1,620	1,620	35,023
Other trading activities:						
Shop Sales	3a	36,656	-	-	36,656	35,457
Total income		684,487	129,907	250,231	1,064,624	1,312,663
Expenditure on:	2					
Raising funds:						
Shop and Publication costs	3b	8,718	-	-	8,718	9,056
Costs of Managing Investment properties		0	-	-	0	2,823
Charitable Activities	4a	587,824	154,176	76,455	818,455	813,235
Total resources expended		596,542	154,176	76,455	827,173	825,115
Net incoming/(outgoing) resources before gains/(losses) on investments		87,945	(24,270)	173,776	237,451	487,549
Revaluation Gain on Investment Properties	7	-	-	-	-	-
Net Unrealised (Losses)/Gains on Investments	10b	-	(16,117)	-	(16,117)	(34,184)
Net Realised (Losses)/Gains on Investments	11	-	-	-	-	-
Net incoming/outgoing resources before transfers		87,945	(40,387)	173,776	221,334	453,365
Transfers between funds during Year						
Development - Building Improvements, Vehicles & Equipment	6	(4,820)	11,558	(6,738)	-	-
Transfers from Restricted to Designated	12a	-	-	0	-	-
Others	12a	(8,396)	10,796	(2,400)	-	0
		74,728	(18,033)	164,638	221,334	453,365
Transfers at Year End						
Income Tithe	12a	(20,000)	20,000	-	-	-
Transferred to/from Restricted Funds	12a	(5,650)	-	5,650	-	-
Transfer to/from General Fund	12a	(2,500)	2,500	-	-	-
Net Movement in Funds		46,578	4,467	170,288	221,334	453,365
Balances brought forward (1/7/22)		375,709	6,576,683	125,524	7,077,916	6,624,552
Balances carried forward (30/6/23)		422,287	6,581,150	295,812	7,299,250	7,077,917

N.B. The notes on pages 28 to 41 form a part of these accounts.

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and all resources expended derive from continuing activities.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Statement of Financial Activities.
for the year ended 30th June 2022
Prior year

		General Fund	Designated Funds	Restricted Funds	Total 2022	Total 2021
		£	£	£	£	£
Income and endowments from:	<i>Notes</i>					
Donations and legacies:						
Donations and Trust Income		321,031	3,000	12,750	336,781	251,660
Legacies		-	438,351	-	438,351	164,998
Covenanted Salaries, Pensions and Benefits		297,886	1,330	5,563	304,779	147,750
Investments:						
Interest and Investment Income	9	31,977	-	-	31,977	26,650
Property rental income		19,721	-	-	19,721	23,384
Charitable Activities:						
Engagements		13,027	-	650	13,677	17,114
Other:						
Renewable Energy Incentives		20,193	-	-	20,193	24,940
Surplus on disposal of Vehicles		-	-	-	-	-
Stewardship Income		-	-	76,705	76,705	19,169
Miscellaneous Income		18,952	-	16,071	35,023	12,290
Other trading activities:						
Shop Sales	3a	35,457	-	-	35,457	24,676
Total income		758,243	442,681	111,739	1,312,663	712,633
Expenditure on:	2					
Raising funds:						
Shop and Publication costs	3b	9,056	-	-	9,056	4,805
Costs of Managing Investment properties		2,823	-	-	2,823	747
Charitable Activities	4a	525,927	146,673	140,635	813,235	893,107
Total resources expended		537,807	146,673	140,635	825,115	898,659
Net incoming/(outgoing) resources before gains/(losses) on investments		220,436	296,009	(28,896)	487,549	(186,026)
Revaluation Gain on Investment Properties	7	-	-	-	-	-
Net Unrealised (Losses)/Gains on Investments	10b	-	(34,184)	-	(34,184)	100,100
Net Realised (Losses)/Gains on Investments	11	-	-	-	-	-
Net incoming/outgoing resources before transfers		220,436	261,825	28,896	453,365	(85,926)
Transfers between funds during Year						
Development - Building Improvements, Vehicles & Equipmen	6	(5,310)	5,310	-	-	-
Transfers from Restricted to Designated	12a	-	27,631	(27,631)	-	-
Others	12a	(130,994)	128,210	2,784	0	-
		84,132	422,976	(53,743)	453,365	(85,926)
Transfers at Year End						
Income Tithe	12a	(20,000)	20,000	-	-	-
Transfer to/from General Fund	12a	(2,000)	2,000	-	-	-
Net Movement in Funds		67,132	434,976	(48,743)	453,365	(85,926)
Balances brought forward (1/7/21)		308,577	6,141,707	174,267	6,624,552	6,710,478
Balances carried forward (30/6/22)		375,709	6,576,683	125,524	7,077,918	6,624,552

N.B. The notes on pages 28 to 41 form a part of these accounts.
The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and all resources expended derive from continuing activities.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Statement of Cash Flows
for the year ended 30th June 2023

	<i>Notes</i>	£	2023 £	£	2022 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		580,408		236,829
Cash flows from Investing activities					
Purchase of tangible fixed assets		(17,316)		(32,941)	
Investment additions		480,000		240,000	
Interest received		7,545		1,509	
Dividends received		42,813		30,468	
Net cash used in investing activities			(446,958)		(240,964)
Net increase/(decrease) in cash and cash equivalents			133,450		(4,136)
Cash and cash equivalents at beginning of year			359,283		363,419
Cash and cash equivalents at end of year			492,733		359,283
Relating to:					
Bank balances and short term deposits			492,733		359,283

**BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.**

**Notes to the Accounts
for the Year ended 30th June 2023**

1 Accounting Policies

Basis of preparation

Charity information

The Brothers of the First Order of the Society of Saint Francis is a Religious Community for men in the Anglican Communion. The work of the Society is spread throughout the world and divided into five provinces of which the European Province is one.

Accounting convention

The financial statements have been prepared in accordance with 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) (as amended for accounting periods commencing from 1st January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

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

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

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Gift Aided Salaries and Pensions

Gift Aided salaries and pensions are received under Perpetual Gift Aid from members of the Brothers of the First Order of the Society of Saint Francis, and are stated inclusive of income tax but net of any deductions for social security payments and contributions to occupational pension schemes.

Fixed assets

Freehold properties occupied by SSF at Glasshampton, Alnmouth, Hilfield, 113 Gillott Road Birmingham, Pickering, 25 Karnac Road Leeds, 42 Rossall Road Leeds, 42 Balaam Street Plaistow and 134 Wincheap Canterbury are vested in the Official Custodian for Charities, as nominees of the Society of St Francis. SSF is permitted free use of the properties, but is liable for their upkeep. The original cost of the properties acquired at our foundation is not known; consequently it is not possible with any degree of certainty to calculate the unrealised gains/losses in their asset value in a given year. The properties held by the Official Custodian for Charities are included in the Balance Sheet at insured value as at 30th June 1995, and depreciated from that date - together with subsequent additions. Depreciation is charged on these properties at a rate of 2% per annum on the closing balance at the end of the year.

The Brothers annually review the carrying value of the properties in order to consider if their carrying value in the Accounts is fairly stated, in accordance with the provisions for impairment reviews.

Motor Vehicles are included in the Balance Sheet at cost and depreciated on a straight-line basis over 4 years with a full year's depreciation charged in the year of purchase.

Items of furniture, fittings and equipment over £1,000 are generally capitalised and depreciated on a straight-line basis over 5 years, with a full year's depreciation charged in the year of purchase. Smaller items of expenditure are charged to income and expenditure in the year of purchase.

Renewable Energy costs including the installation of a Biomass Boiler are included in the Balance Sheet at cost and depreciated on a straight-line basis over 20 years with a full year's depreciation charged in the year of purchase.

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. Changes in fair value are recognised in the Statement of Financial Activities. Investment property is currently stated at Trustees' valuation.

Resources Expended

All expenditure is accounted for on an accrual basis. Resources expended are allocated to appropriate headings based on the activities to which they are attributable.

Notes to the Accounts
for the Year ended 30th June 2023

1 Accounting Policies (continued)

Donations

SSF gratefully acknowledges the support received from its well-wishers. Donations are received both in monetary form and in the form of goods and services provided without charge or at below normal commercial rates. Monetary donations, including legacies, are included in these accounts when notified to the Society and when such amount is quantifiable. Non-monetary gifts are excluded from the accounts.

The Brothers have never made any charge for short-term guests and retreatants in our Friaries so this important and highly appreciated part of our income is included within Voluntary Income in the Accounts under the heading "Donations and Trust Income".

Investments

Investments in the Central Board of Finance Investment funds are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net incoming/outgoing resources before transfers. Transaction costs are recorded as expenses as they are incurred. Unquoted investments are valued by the trustees. The cost of these investments is stated in note 9.

Current Assets

Stocks are stated at the lower of cost and net realisable value.

Leasing and Hire Purchase Commitments

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under hire purchase contracts and finance leases are recognised as tangible assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Financial Instruments

The Society has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "other Financial Instruments" of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statement, 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 discharged when the Society's contractual obligations expire or are cancelled.

Critical Accounting Estimates and Areas of Judgements

In the application of the Society'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.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Notes to the Accounts

for the Year ended 30th June 2023

Notes

		Staff	Other	Depreciation	Total 2023	Total 2022
		£	£	£	£	£
2. Analysis of Resources expended:						
Raising funds						
Shop and Publication costs	3b	-	8,718	-	8,718	9,056
Charitable Activities	4a	20,649	680,216	117,590	818,455	813,235
Total resources used		20,649	688,934	117,590	827,173	822,292

3. Other trading activities

3a. Shop and Publications

	Total 2023	Total 2022
	£	£
Income		
Shop sales	17,838	18,418
Royalties and Book Sales	1,412	891
	19,250	19,310
Franciscan Magazine Income	17,406	16,147
	36,656	35,457

3b. Shop and Publication

	Total 2023	Total 2022
	£	£
Cost of shop sales		
Opening stock	815	800
Purchases and Direct Overheads	5,317	6,101
Less Closing Stock	(919)	(815)
	5,212	6,086
Franciscan Magazine Expenditure	3,506	2,970
	8,718	9,056

4a. Charitable Activities

		General Funds	Designated Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
Occupancy Costs		231,313	3,376	39,014	273,703	261,600
Food		78,452	-	-	78,452	69,446
Brothers' Expenses		76,097	-	-	76,097	33,089
Brothers' Formation		7,693	-	4,095	11,788	9,959
Brothers' Care		-	9,165	-	9,165	3,215
Promotion of Religious Life		330	-	3,693	4,023	1,753
Chapel		4,375	-	-	4,375	5,559
Travel and Transport		27,040	-	-	27,040	30,292
Gifts and Donations	13	29,384	21,546	-	50,930	48,122
Equipment		9,180	-	-	9,180	9,865
Staff Costs	4c	20,649	-	-	20,649	15,498
Volunteer Expenses		28,401	-	-	28,401	29,919
Postage and Telephone		21,675	-	-	21,675	21,906
Printing, Stationery and Office		15,966	-	-	15,966	15,963
Safeguarding		232	-	-	232	2,197
Other: Non-recurring		139	-	-	139	882
Rural Payment Agency Costs		-	-	25,663	25,663	75,568
Forestry costs		-	-	3,990	3,990	25,946
Alnmouth Chalet		-	-	-	-	-
Professional Fees		-	2,500	-	2,500	210
Bank Charges		1,950	-	-	1,950	1,556
		552,877	36,586	76,455	665,918	662,544
Depreciation - Equipment	5	-	6,773	-	6,773	1,550
- Buildings - Freehold	5	-	91,632	-	91,632	93,421
- Buildings - Leasehold	5	-	-	-	-	-
- Vehicles	5	-	4,303	-	4,303	6,516
- Renewable Energy	5	-	14,883	-	14,883	14,602
- Loss on disposal	5	-	-	-	-	-
- Impairment	5	-	-	-	-	-
Governance costs	4b	34,947	-	-	34,947	34,602
		587,824	154,176	76,455	818,455	813,235

Analysis by fund - prior year

General Funds	525,927
Designated Funds	146,673
Restricted Funds	140,635
Total	813,235

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Notes to the Accounts
for the year ended 30th June, 2023

	Total 2023	Total 2022
	£	£
4b. Governance Costs		
Auditors Remuneration – Audit Fee	9,000	8,000
- Accountancy & Other services	14,016	14,272
- Professional & Legal Fees	3,920	-
- Chapter expenses	8,011	12,330
	<u>34,947</u>	<u>34,602</u>
4c. Staff Costs	2023	2022
Wages	<u>20,649</u>	<u>15,498</u>

The average monthly number of employees was 1 (2022 - 1). No employee received benefits of over £60,000.

5. Fixed Assets	Renewable		Properties			
	Energy	Equipment	Freehold	Leasehold	Vehicles	Total 2023
	£	£	£	£	£	£
Cost/Valuation at 1st July 2022	292,032	87,479	8,628,810	-	83,112	9,091,433
Additions/Improvements	5,758	6,738	4,820	-	-	17,316
Impairment	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
At 30th June 2023	<u>297,790</u>	<u>94,217</u>	<u>8,633,631</u>	<u>-</u>	<u>83,112</u>	<u>9,108,749</u>
Depreciation at 1st July 2022	103,151	79,777	4,051,182	-	78,431	4,312,540
Depreciation charge for the year	14,883	6,773	91,632	-	4,303	117,590
Impairment	-	-	-	-	-	-
Depreciation on Disposals	-	-	-	-	0	-
Transfers	-	-	-	-	-	-
At 30th June 2023	<u>118,034</u>	<u>86,550</u>	<u>4,142,814</u>	<u>-</u>	<u>82,734</u>	<u>4,430,130</u>
Net Book Value						
At 30th June 2023	<u>179,756</u>	<u>7,667</u>	<u>4,490,817</u>	<u>0</u>	<u>378</u>	<u>4,678,619</u>
At 1st July 2022	<u>188,881</u>	<u>7,702</u>	<u>4,577,628</u>	<u>0</u>	<u>4,681</u>	<u>4,778,893</u>

The Brothers have reviewed the carrying value of the freehold properties at the year end and are of the opinion that these are fairly stated and that no provisions for impairment are necessary.

The Brothers reviewed the carrying value of the leasehold properties at the previous year end and deemed that an impairment of the property was necessary to ensure that it is fairly stated.

Restriction on title

The charity has restricted title on 2 of the Freehold properties included within the Financial statements. The carrying value of these 2 Freehold properties is £1,569,239 (2022 £1,601,261).

6. Transfers - Building Improvements, Vehicles & Equipment	General	Designated	Restricted	Total 2023
	Fund	Funds	Funds	
	£	£	£	£
Cost of Building Improvements in year	(4,820)	4,820	0	-
Cost of Vehicles purchased in year	0	-	0	-
Cost of Renewable Energy purchased in year	0	-	0	-
Cost of Equipment purchased in year	0	6,738	(6,738)	-
	<u>(4,820)</u>	<u>11,558</u>	<u>(6,738)</u>	<u>-</u>

7. Investment Properties

	2023 £	2022 £
Fair Value		
At 1 July 2022	450,000	450,000
Revaluations	-	-
At 30 June 2023	<u>450,000</u>	<u>450,000</u>

If investment properties were stated on a historical cost basis rather than a fair value basis, the amounts would have been as follows:

	2023 £
Cost	154,160
Accumulated depreciation	(65,929)
Carrying amount	<u>88,231</u>

A property previously treated as Freehold Properties was transferred to Investment Properties in 2019 reflecting its change of use.

The fair value of the Investment Properties have been arrived at by reference to market evidence of transaction prices for similar properties.
In the Trustees opinion the Fair value at 30 June 2023 reflects the Investment Properties current market value.

8. Capital and Major Repair and Other Commitments

In June 2023, the budget for the financial year to 30th June 2024 was presented and discussed at the Provincial Chapter. The following capital and major repair commitments were agreed:

	2023 £	2022 £
Alnmouth Friary	41,200	47,738
Birmingham	40,000	7,094
Canterbury, Wincheap	-	-
Glasshampton Monastery	39,165	30,900
Hilfield Friary	21,530	22,029
Leeds	-	1,000
Plaistow, Balaam Street	356,608	18,360
Plaistow, Crofton Road	-	600
Provincial	<u>20,000</u>	<u>10,000</u>
	<u>518,503</u>	<u>137,721</u>

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
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Notes to the Accounts
for the year to 30th June 2023

9. Fixed Asset Investments

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
CBF Investment Fund	1,136,682	1,528,400	656,682	1,064,517

	2023	2022
	£	£
Quoted Investments in the UK (changes in market value in the year)		
Market Value at 1st July 2022	1,064,517	858,701
Additions	480,000	240,000
Disposals	-	-
Net (loss)/gain on revaluation at 30th June 2023	(16,117)	(34,184)
Market Value at 30th June 2023	1,528,400	1,064,517

Interest and Investment income

Interest Receivable	7,544	1,509
Dividends - CBF Investment Fund	35,465	24,663
Property - CBF Investment Fund	7,348	5,805
	<u>50,357</u>	<u>31,977</u>

10

a. Analysis of Group Net Assets between funds - Current year

	General Fund	Designated Funds	Restricted Funds	Total 2023
	£	£	£	£
Tangible Fixed Assets	-	4,678,619	-	4,678,619
Investment Properties	-	450,000	-	450,000
Investments	-	1,528,400	-	1,528,400
Current Assets	438,597	(75,868)	295,812	658,541
Current Liabilities	(16,309)	-	-	(16,309)
	<u>422,287</u>	<u>6,581,150</u>	<u>295,812</u>	<u>7,299,249</u>

Analysis of Group Net Assets between funds - Prior year

	General Fund	Designated Funds	Restricted Funds	Total 2022
	£	£	£	£
Tangible Fixed Assets	-	4,778,893	-	4,778,893
Investment Properties	-	450,000	-	450,000
Investments	-	1,064,517	-	1,064,517
Current Assets	399,097	283,273	125,524	807,894
Current Liabilities	(23,388)	-	-	-23,388
	<u>375,709</u>	<u>6,576,683</u>	<u>125,524</u>	<u>7,077,916</u>

b. Reconciliation of Movements in Unrealised (Losses)/Gains on Investment Assets:

Unrealised (losses)/gains at 30th June, 2022	-	407,835	-	407,835
Unrealised gains on Disposals in year to 30th June 2023	-	-	-	-
Net (losses)/gains on revaluation at 30th June 2023	-	(16,117)	-	(16,117)
Unrealised (losses)/gains at 30th June, 2023	-	391,718	-	391,718

11. Transactions with Trustees.

The Trustees of the Charity are also Brothers of the Society, and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the needs of all members of the Society. The living costs of the Brother-Trustees are, therefore, borne by the Charity.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.

(European Province) - Registered Charity No: 236464.

Notes to the Accounts: Year ended 30th June 2023

12a. Movement in funds for the Year - Summary

Current year	Notes	General Funds	Designated Funds	Restricted Funds	Total Funds
		£	£	£	£
Total income		684,487	129,907	250,231	1,064,624
Total expenditure		(596,542)	(154,176)	(76,455)	(827,173)
		87,945	(24,270)	173,776	237,451
Net incoming/outgoing resources before gains/(losses) on Investments					
Revaluation Gain on Investment Properties		-	-	-	-
Net Unrealised gains on Investments		-	(16,117)	-	(16,117)
Net Realised (losses)/gains on Investments		-	-	-	-
Net incoming/outgoing resources before transfers		87,945	(40,387)	173,776	221,334
Transfers during Year:					
Building Improvements, Vehicles and Equipment	6	(4,820)	11,558	(6,738)	-
Transferred to/from General Funds		(8,396)	10,796	(2,400)	-
Transferred from General to Designated Funds		-	-	-	-
Transferred to/from from Restricted Funds		-	-	-	-
		74,728	(18,033)	164,638	221,334
Transfers at Year-End:					
Income Tithe		(20,000)	20,000	-	-
Transferred to/from Restricted Funds		(5,650)	-	5,650	-
Transferred to/from General Fund		(2,500)	2,500	-	-
Net movement in funds		46,578	4,467	170,288	221,334
Balances brought forward (1/7/22)		375,709	6,576,683	125,524	7,077,916
Balances carried forward (30/6/23)		422,287	6,581,150	295,812	7,299,250
			12 (b)	12 (c)	

Transfers during Year

Transferred from General Funds

- £4,820 was transferred from General Funds to the Designated Fixed Asset Reserve for the purchase of Equipment & Vehicles.
- £10,000 was transferred from General Funds to the Designated Renewable Energy Fund. This fund was created for expenditure which conforms to the principles of carbon reduction.
- £5,650 was transferred from General Funds to the Restricted Assisi Fund during the year.
- £796 was transferred from General Funds to the Designated Income Tithe Fund during the year to fulfil a donation commitment.

Transferred to/from Restricted Funds to Designated Funds

- £6,738 was transferred from the Restricted Alnmouth Fund to the Designated Fixed Asset Reserve being part of the cost of upgrading the phone system at Alnmouth Friary. All assets are held in the Fixed Asset Reserve and the phone system upgrade benefits Alnmouth Friary.

Transfers/Appropriations at the Year-End

In June 2023 the Provincial Chapter agreed, the projected balance available on the General and designated Funds for the Year ended 30th June 2023 - subject to arithmetical verification - and the following allocations were made from that balance:

Transferred from General Funds

- a tithe of £20,000 based upon the income of the Provincial General Fund is set apart - according to the agreed policy of the Provincial Chapter - primarily to help relieve the needs of the world's poorest, and to address particular requests from within the Society of St Francis to help individuals and organisations.
- £2,500 to the Designated Pickering Emmaus House towards ongoing running costs.

Transferred from Designated Funds

- £510,325 from the Designated Bequest Fund to the Designated Development Fund to help fund future costs relating to specific capital projects undertaken by the Provincial Chapter.

- £5,758 from the Designated Renewable Energy Fund to the Designated Fixed Asset Reserve being the cost of installing insulation at at Hilfield Library. All assets are held in the Fixed Asset Reserve and the library installation contributes towards reducing carbon.

- £7,033 from the Designated Hilfield Fuel Fund to the Designated Renewable Energy Fund to close the Fund.

Transferred from Restricted Funds

- £2,400 from the Restricted Sanctuary Fund to the General Funds to fund costs incurred in our mission and ministry with Asylum Seekers and Refugees.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.

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Notes to the Accounts: Year ended 30th June 2022

12a. Movement in funds for the Year - Summary

Prior year	Notes	General Funds	Designated Funds	Restricted Funds	Total Funds
		£	£	£	£
Total income		758,243	442,681	111,739	1,312,663
Total expenditure		(537,807)	(146,672)	(140,635)	(825,114)
		220,436	296,009	(28,896)	487,549
Net incoming/outgoing resources before gains/(losses) on Investments					
Revaluation Gain on Investment Properties		-	-	-	-
Net Unrealised gains on Investments		-	-34,184	-	-34,184
Net Realised (losses)/gains on Investments		-	-	-	-
Net incoming/outgoing resources before transfers		220,436	261,825	(28,896)	453,365
Transfers during Year:					
Building Improvements, Vehicles and Equipment	6	(5,310)	5,310	0	-
Transferred to/from General Funds		(130,994)	128,210	2,784	0
Transferred from General to Designated Funds		-	-	-	-
Transferred to/from Restricted Funds		-	27,631	(27,631)	-
		84,132	422,976	(53,743)	453,365
Transfers at Year-End:					
Income Tithe		(20,000)	20,000	-	-
Transferred to/from Restricted Funds		5,000	(10,000)	5,000	-
Transferred to/from General Fund		(2,000)	2,000	-	-
Net movement in funds		67,132	434,976	(48,743)	453,365
Balances brought forward (1/7/21)		308,577	6,141,707	174,266	6,624,549
Balances carried forward (30/6/22)		375,709	6,576,683	125,523	7,077,914

12 (b)

12 (c)

Transfers during Year

Transferred from General Funds

- £5,310 was transferred from General Funds to the Designated Fixed Asset Reserve for the purchase of Equipment & Vehicles.
- £50,000 was transferred from General Funds to the Designated Care Fund towards the support and care of elderly or infirm brothers and to cover funeral costs.
- £50,000 was transferred from General Funds to the Designated Development Fund. This fund was set up to help offset costs relating to specific capital projects undertaken by the Provincial Chapter.
- £10,000 was transferred from General Funds to the Designated Renewable Energy Fund. This fund was created for expenditure which conforms to the principles of carbon reduction.
- £3,750 was transferred from General Funds to the Designated Hilfield Fuel Fund towards the costs of running the Biomass Boiler at Hilfield Friary.
- £14,460 was transferred from General Funds towards the Designated Bequest Fund in respect of a legacy received into General funds.
- £4,800 was transferred from General Funds to the Restricted Glasshampton Fund during the year.
- £1,000 was transferred from General Funds to the Restricted Alnmouth Fund during the year.

Transferred to/from Restricted Funds to Designated Funds

- £27,631 was transferred from the Restricted Alnmouth Fund to the Designated Fixed Asset Reserve being part of the cost of installing a fire alarm system at Alnmouth Friary. All assets are held in the Fixed Asset Reserve and the Chapel conversion contributes towards the upkeep and ministry of Hilfield.

Transfers/Appropriations at the Year-End

In June 2022 the Provincial Chapter agreed, via electronic communication, the projected balance available on the General and designated Funds for the Year ended 30th June 2022 - subject to arithmetical verification - and the following allocations were made from that balance:

Transferred from General Funds

- a tithe of £20,000 based upon the income of the Provincial General Fund is set apart - according to the agreed policy of the Provincial Chapter - primarily to help relieve the needs of the world's poorest, and to address particular requests from within the Society of St Francis to help individuals and organisations.
- £2,000 to the Designated Pickering Emmaus House towards ongoing running costs.

Transferred from Designated Funds

- £98,089 from the Bequest Fund to the Designated Development Fund to help fund future costs relating to specific capital projects undertaken by the Provincial Chapter.

Transferred from Restricted Funds

- £3,016 from the Restricted Sanctuary Fund to the General Funds to fund costs incurred in our mission and ministry with Asylum Seekers and Refugees.
- £5,000 from the Restricted Formation Fund to General Funds towards the major expenses of courses for Life Professed brothers, for conferences for the First Professed and Novices and for the expenses of the Novice Guardian.
- £10,000 from the Designated Development fund to the Restricted Hilfield Land Grants Fund towards projects being undertaken at Hilfield.

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Notes to the Accounts: Year ended 30th June 2023

12b. Movement in funds for the Year - Designated Funds

Current year	Care Fund	Bequest Income	Tithe	Development Fund	Fixed Asset Reserve	Renewable Energy	Pickering Emmaus House	Hilfield Fuel Fund	Total Designated Funds
	£	£	£	£	£	£	£	£	£
Total Income	3,130	81,974	-	20,000	-	22,803	2,000	-	129,907
Total expenditure	(9,165)	-	(21,546)	-	(117,590)	(2,500)	(3,376)	-	(154,176)
Net incoming/outgoing resources before gains/(losses) on Investments	(6,035)	81,974	(21,546)	20,000	(117,590)	20,303	(1,376)	-	(34,270)
Revaluation Gain on Investment Properties	-	-	-	-	-	-	-	-	-
Net Unrealised gains on Investments	-	-	-	(16,117)	-	-	-	-	(16,117)
Net Realised gains on Investments	-	-	-	-	-	-	-	-	-
Net incoming/outgoing resources before transfers	(6,035)	81,974	(21,546)	3,883	(117,590)	20,303	(1,376)	-	(40,387)
Transfers during Year:									
Building Purchase & Improvements	-	-	-	-	4,820	-	-	-	4,820
New Vehicles, Equipment & Renewable Energy	-	-	-	-	6,738	-	-	-	6,738
New Vehicles and Equipment from General Fund	-	-	-	-	-	-	-	-	-
Transferred to/from from Designated Funds	-	-	-	-	5,758	(5,758)	-	-	-
Transferred to/from from Restricted Funds	-	-	-	-	-	-	-	-	-
Transferred to/from General Funds	-	-	796	-	-	10,000	-	-	10,796
	(6,035)	81,974	(20,750)	3,883	(100,274)	24,545	(1,376)	-	(18,033)
Transfers at Year-End:									
Income Tithe	-	-	20,000	-	-	-	-	-	20,000
Transferred between Designated Funds	-	(510,325)	-	510,325	-	7,033	-	(7,033)	-
Transferred to/from Restricted Funds	-	-	-	-	-	-	-	-	-
Transferred to/from from General Fund	-	0	-	-	-	-	2,500	-	2,500
Net movement in funds	(6,035)	(428,351)	(750)	514,208	(100,274)	31,578	1,124	(7,033)	4,488
Balances brought forward	307,052	428,351	20,750	573,706	5,228,892	10,000	6,899	7,033	6,576,883
Balances carried forward	295,017	0	20,000	1,087,914	5,128,618	41,578	8,023	0	6,581,151
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	

DESIGNATED FUNDS.

(i) Care Fund: A fund from which capital or income may be used towards the support and care of elderly or infirm brothers and to cover funeral costs.

(ii) Bequest Fund: A fund to receive all unrestricted legacy receipts during the year. Provincial Chapter determines the appropriate usage of this money for projects in the Society with the annual budget.

(iii) Income Tithe: A tithe of income from the General Fund for the financial year specifically to answer the needs of the world's poorest people and to address particular requests from within the Society of St Francis to help individuals and organisations.

(iv) Development Fund: A fund to help offset costs relating to specific capital projects undertaken by the Provincial Chapter.

(v) Fixed Asset Reserve: The Reserve comprises the net book values of the tangible fixed assets, reclassified as a Designated Fund as there are no restrictions attached to these items.

(vi) Renewable Energy: A fund created for expenditure which conforms to the principles of carbon reduction.

(vii) Pickering Emmaus House: A property was received as a legacy in previous years. A further pecuniary sum has been set aside for running costs.

(viii) Hilfield Fuel Fund: A fund to set aside money from Hilfield Friary for the purchase of local wood for the Biomass Boiler.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.

(European Province) - Registered Charity No: 236464.

Notes to the Accounts: Year ended 30th June 2022

12b. Movement in funds for the Year - Designated Funds

Prior year	Care Fund	Bequest	Income Tithe	Development Fund	Fixed Asset Reserve	Renewable Energy	Pickering Emmaus House	Hillfield Fuel Fund	Total Designated Funds
	£	£	£	£	£	£	£	£	£
Total Income	1,330	438,351	-	-	-	-	3,000	-	442,681
Total expenditure	(3,760)	(210)	(19,250)	-	(116,089)	-	(4,864)	(2,500)	(148,673)
Net incoming/outgoing resources before gains/(losses) on investments	(2,430)	438,141	(19,250)	0	(116,089)	-	(1,864)	(2,500)	296,009
Revaluation Gain on Investment Properties	-	-	-	-	-	-	-	-	-
Net Unrealised gains on Investments	-	-	-	(34,184)	-	-	-	-	(34,184)
Net Realised gains on Investments	-	-	-	-	-	-	-	-	-
Net incoming/outgoing resources before transfers	(2,430)	438,141	(19,250)	(34,184)	(116,089)	-	(1,864)	(2,500)	261,825
Transfers during Year:									
Building Purchase & Improvements	-	-	-	-	2,970	-	-	-	2,970
New Vehicles, Equipment & Renewable Energy	-	-	-	-	-	-	-	-	-
New Vehicles and Equipment from General Fund	-	-	-	-	2,340	-	-	-	2,340
Transferred to/from from Restricted Funds	-	-	-	-	27,831	-	-	-	27,831
Transferred to/from General Funds	50,000	14,460	-	50,000	-	10,000	-	3,750	128,210
	47,570	452,601	(19,250)	15,816	(83,148)	10,000	(1,864)	1,250	422,976
Transfers at Year-End:									
Income Tithe	-	-	20,000	-	-	-	-	-	20,000
Transferred between Designated Funds	-	(86,089)	-	98,089	-	-	-	-	-
Transferred to/from Restricted Funds	-	-	-	(10,000)	-	-	-	-	(10,000)
Transferred to/from from General Fund	-	0	-	-	-	-	2,000	-	2,000
Net movement in funds	47,570	354,512	750	103,906	(83,148)	10,000	136	1,250	434,976
Balances brought forward	253,482	73,839	20,000	489,800	5,312,040	-	6,763	5,783	6,141,707
Balances carried forward	301,052	428,351	20,750	573,706	5,228,892	10,000	6,899	7,033	6,576,683
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	

DESIGNATED FUNDS.

(i) Care Fund:

(ii) Bequest Fund:

(iii) Income Tithe:

(iv) Development Fund:

(v) Fixed Asset Reserve:

(vi) Renewable Energy:

(vii) Pickering Emmaus House

(viii) Hillfield Fuel Fund

A fund from which capital or income may be used towards the support and care of elderly or infirm brothers and to cover funeral costs.

A fund to receive all unrestricted legacy receipts during the year. Provincial Chapter determines the appropriate usage of this money for projects in the Society with the annual budget.

A tithe of income from the General Fund for the financial year specifically to answer the needs of the world's poorest people and to address particular requests from within the Society of St Francis to help individuals and organisations.

A fund to help offset costs relating to specific capital projects undertaken by the Provincial Chapter.

The Reserve comprises the net book values of the tangible fixed assets, reclassified as a Designated Fund as there are no restrictions attached to these items.

A fund created for expenditure which conforms to the principles of carbon reduction.

A property was received as a legacy in previous years. A further pecuniary sum has been set aside for running costs.

A fund to set aside money from Hillfield Friary for the purchase of local wood for the Biomass Boiler.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.

(European Province) - Registered Charity No: 236464.

Notes to the Accounts: Year ended 30th June 2023

12c. Movement in funds for the Year - Restricted Funds

Current year	PNG Bursary Fund	Hilfield Bequest Fund	Hilfield Land Grants Fund	Glasshampton Fund	The SSF Education Fund	Assisi Fund	Sanctuary Seekers Fund	Formation Fund	Almough Fund	Plastow Fund	Americas Fund	Total Restricted Funds
	£	£	£	£	£	£	£	£	£	£	£	£
Total income	-	1,620	74,509	-	50,000	7,302	-	-	9,800	1,000	106,000	250,231
Total expenditure	-	-	(29,653)	(12,132)	(3,693)	(6,699)	-	(4,095)	(3,482)	(14,700)	-	(76,455)
Net incoming/outgoing resources before gains/(losses) on Investments	-	1,620	44,856	(12,132)	46,307	(1,387)	-	(4,095)	6,318	(13,700)	106,000	173,776
Transfers during Year:												
Building Improvements	-	-	-	-	-	-	-	-	-	-	-	-
New Vehicles and Equipment	-	-	-	-	-	-	-	-	(6,738)	-	-	(6,738)
Transferred to/from General Funds	-	-	-	-	-	-	(2,400)	-	-	-	-	(2,400)
Transferred to/from Restricted Funds	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to/from Designated Funds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers at Year-End:												
Transferred to/from Designated Funds	-	1,620	44,856	(12,132)	46,307	(1,387)	(2,400)	(4,095)	(420)	(13,700)	106,000	164,638
Transferred to/from General Funds	-	-	-	-	-	-	-	-	-	-	-	-
Net movement in funds	-	1,620	44,856	(12,132)	46,307	(1,387)	(2,400)	(4,095)	(420)	(13,700)	106,000	5,650
Balances brought forward (1/1/22)	4,181	3,567	6,255	40,140	28,902	3,163	7,964	9,111	6,414	17,809	-	170,288
Balances carried forward (30/6/23)	4,181	5,187	51,111	28,008	73,209	7,416	5,564	5,016	5,994	4,109	106,000	295,812

RESTRICTED FUNDS.

(i)	PNG Bursary Fund	A fund for the benefit of Brothers in Papua New Guinea in their studies. Chapter have taken the decision to transfer all the money in this fund (£4,181) to SSF Central Fund trustees, who they feel are in a better position to enable this money to benefit Brothers in PNG. This will happen in the year ended 30 June 2023.
(ii)	Hilfield Bequest Fund	Income is covenanted to the Society of Saint Francis and is entirely used for the care and maintenance of a long term member of the community at Hilfield.
(iii)	Hilfield Land Grants Fund	Formerly named Hilfield Fund. A fund of restricted income for the benefit of Hilfield Friary, Dorset. Legacies have been received specifying that these are to be spent on certain purposes at Hilfield Friary.
(iv)	Glasshampton Fund	A fund of restricted income for the benefit of Glasshampton Monastery, Worcestershire.
(v)	The SSF Education Fund	Formerly named The Hilfield Education Fund. A fund to account for a donation received from the Community of St Denys towards the Society's work in support of its aims and objectives. The aims and objectives of the Community of St Denys are Christian Mission at home and overseas in order to advance Christian Religion in accordance with the principles of the Anglican faith and communion for the public benefit through prayer, intercession, mission, retreat work, education and pastoral care.
(vi)	Assisi Fund	A fund intended to assist with maintaining the Society's presence in Assisi.
(vii)	Sanctuary Seekers Fund	A fund for our mission and ministry with Asylum Seekers and Refugees.
(viii)	Formation Fund	A fund created to pay for the major expenses of courses for Life Professed brothers, for conferences for the First Professed and Novices, and for the expenses of the Novice Guardian.
(ix)	Almough Fund	A fund of restricted income for the benefit of Almough Friary, Northumberland.
(x)	Plastow Fund	A fund of restricted income for the benefit of 42 Balaam Street, Plastow, London.
(xi)	Americas Fund	A legacy has been received specifying that this is to be applied for the benefit of the Society's work in the Province of the Americas, as directed by the Provincial Chapter.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.

(European Province) - Registered Charity No: 235454.

Notes to the Accounts: Year ended 30th June 2022

12c. Movement in funds for the Year - Restricted Funds

Prior year	PNG Bursary Fund	Hillfield Bequest Fund	Hillfield Land Grants Fund	Glasshampton Fund	Hillfield Education Fund	Assisi Fund	Sanctuary Seekers Fund	Formation Fund	Alnmouth Fund	Plaiestow Fund	Total Restricted Funds
	£	£	£	£	£	£	£	£	£	£	£
Total income	-	476	83,831	-	5,000	7,900	-	-	5,563	8,969	111,739
Total expenditure	-	-	(99,014)	(14,465)	(1,753)	(7,962)	(100)	(572)	(6,509)	(9,840)	(140,695)
Net income/outgoing resources before gains/(losses) on Investments	-	476	(15,183)	(14,468)	3,247	(62)	(100)	(572)	(1,945)	(871)	(28,898)
Transfers during Year:											
Building Improvements	-	-	-	-	-	-	-	-	-	-	-
New Vehicles and Equipment	-	-	-	-	-	-	-	-	-	-	-
Transferred to/from General Funds	-	-	-	4,800	-	-	(3,016)	-	1,000	-	2,784
Transferred to/from Restricted Funds	-	-	-	-	-	-	-	-	-	-	-
Transferred to/from Designated Funds	-	-	-	-	-	-	-	-	-	-	-
Transfers at Year-End:											
Transferred to/from Designated Funds	-	476	(15,183)	(9,686)	3,247	(62)	(3,116)	(572)	(27,977)	(871)	(27,631)
Transferred to/from General Funds	-	-	10,000	-	-	-	-	-	-	-	10,000
Net movement in funds	-	476	(5,183)	(9,686)	3,247	(62)	(3,116)	(5,000)	(27,977)	(871)	(5,000)
Balances brought forward (1/7/21)	4,181	3,091	11,438	49,826	23,655	3,225	11,100	14,952	34,391	18,690	174,267
Balances carried forward (30/6/22)	4,181	3,567	6,255	40,140	26,902	3,163	7,984	9,111	6,414	17,809	125,624
RESTRICTED FUNDS.	(i)	(i)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	

(i) PNG Bursary Fund
A fund for the benefit of Brothers in Papua New Guinea in their studies. Chapter have taken the decision to transfer all the money in this fund (£4,181) to SSF Central Fund trustees, who they feel are in a better position to enable this money to benefit Brothers in PNG. This will happen in the year ended 30 June 2023.

(ii) Hillfield Bequest Fund
Income is covenanted to the Society of Saint Francis and is entirely used for the care and maintenance of a long term member of the community at Hillfield.
Formerly named Hillfield Fund. A fund of restricted income for the benefit of Hillfield Friary, Dorset.

(iii) Hillfield Land Grants Fund
This fund ended up in deficit during the year as the Society spent more than it had in funds, in fulfilling various projects at Hillfield.
The Trustees authorised a transfer of £10,000 from the Designated Development Fund at the year end, to address the deficit and return the fund to a position of surplus. The projects undertaken meet the objectives of the Development fund.

(iv) Glasshampton Fund
A fund of restricted income for the benefit of Glasshampton Monastery, Worcestershire.

(v) Hillfield Education Fund
A fund to account for a donation received from the Community of St Denys towards the Society's work in support of its aims and objectives. The aims and objectives of the Community of St Denys are Christian Mission at home and overseas in order to advance Christian Religion in accordance with the principles of the Anglican faith and communion for the public benefit through prayer, intercession, mission, retreat work, education and pastoral care.

(vi) Assisi Fund
A fund intended to assist with maintaining the Society's presence in Assisi.

(vii) Sanctuary Seekers Fund
A fund for our mission and ministry with Asylum Seekers and Refugees.

(viii) Formation Fund
A fund created to pay for the major expenses of courses for Life Professed brothers, for conferences for the First Professed and Novices, and for the expenses of the Novice Guardian.

(ix) Alnmouth Fund
A fund of restricted income for the benefit of Alnmouth Friary, Northumberland.

(x) Plaiestow Fund
A fund of restricted income for the benefit of 42 Balaam Street, Plaiestow, London.

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS
(European Province) - Registered Charity No: 236464.

Notes to the Accounts
for the year to 30th June 2023

13. Gifts and Donations

In accordance with our charitable objects, the Province and the Houses make donations to individuals and charities/organisations. These are shown as Gifts and Donations from the General Fund. It is estimated that financial help was given to in excess of 50 individual people and charities/organisations in the course of the year. Below are donations/gifts over £500 given to other charities and organisations.

	2023 £	2022 £
To SSF Organisations		
SSF Central Fund (First Order Development Fund), UK	24,000	24,000
	<u>24,000</u>	<u>24,000</u>
To Other Organisations		
Christian Aid	3,000	4,500
United Society Partners in the Gospel (USPG)	6,000	8,500
St. Salvador's Church Edinburgh	1,000	-
The International Committee of the Red Cross (for Ukraine)	-	2,000
L'Arche	1,000	-
A Rocha UK	1,000	-
Disasters Emergency Committee (for Ukraine)	-	1,000
Friends of the Edward Said National Conservatory of Music (online music lessons for Gaza, Palestine)	-	750
The Amos Trust	1,000	-
Rainbow Junktion (Charitable Café, Leeds)	-	1,000
Community of the Companions of St Benedict in Cameroon	6,501	-
Divine Healing Ministries, Belfast	1,000	-
Practical Compassion for Destitute Children	1,000	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	<u>21,501</u>	<u>17,750</u>
Other donations	<u>5,429</u>	<u>4,374</u>
	<u><u>50,930</u></u>	<u><u>48,122</u></u>

14. Debtors and Prepayments

	2023 £	2022 £
Other Debtors	161,889	445,296
Prepayments	0	0
	<u>161,889</u>	<u>445,296</u>

The Society has been made aware of a further £3,219 of legacies since the year-end, and has been notified of some residues which cannot be quantified at this time.

15. Accruals and Creditors

	2023 £	2022 £
Accruals	10,000	10,000
Other Creditors	6,309	13,388
	<u>16,309</u>	<u>23,388</u>

16. Financial Commitments

	Other		Land and Buildings	
	2023 £	2022 £	2023 £	2022 £
Total lease commitments	<u>0</u>	<u>359</u>	<u>30,220</u>	<u>4,121</u>

BROTHERS OF THE FIRST ORDER OF THE SOCIETY OF SAINT FRANCIS.
(European Province) - Registered Charity No: 236464.

Notes to the Accounts
for the year to 30th June 2023

17. Cash generated from operating activities	2023	2022
	£	£
Surplus for the year	221,334	453,365
Adjustments for:		
Interest received	(7,544)	(1,509)
Dividends received	(42,813)	(30,468)
Fair value gains and losses on investments	16,117	34,184
Depreciation and impairment of tangible fixed assets	117,590	116,089
Deficit/(Surplus) on disposal of Vehicles	-	-
Movements in working capital:		
Decrease/(increase) in stocks	(605)	2,485
Decrease/(increase) in debtors	283,407	(350,205)
(Decrease)/Increase in creditors	(7,078)	12,887
Cash generated from/(absorbed by) operating activities	580,408	236,828
18. Financial Instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	611,889	895,296
Equity instruments measured at cost less impairment	1,528,400	1,064,517
	2,140,288	1,959,813
Carrying amount of financial liabilities		
Measured at amortised cost	16,309	23,388

20. Related party transactions

There were no reportable related party transactions in this or the prior period.