

THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST BENEDICT ESTABLISHED AT DOUAI ABBEY, WOOLHAMPTON, BERKSHIRE

England & Wales · Charity number 236962

Details

Other names DOUAI ABBEY

Status Registered

Legal form Trust

Registered 1965-11-09

Register [View on the Charity Commission register](#)

Contact

Address Douai Abbey
Upper Woolhampton
Reading
RG7 5TQ

Phone 01189715300

Email bursar@douaiabbey.org.uk

Website www.douaiabbey.org.uk

Activities

Objects: THE ADVANCEMENT AND MAINTENANCE OF THE ROMAN CATHOLIC RELIGION.

Activities: Douai Abbey is a community of Benedictine monks who are involved in educational, pastoral and other work. The main pastoral activity consists of welcoming guests who come for retreats and conferences, in groups or as individuals. The Abbey Church and the other facilities are also used by other organisations, both religious and secular, for their own meetings and activities.

Classification

- **How:** Provides Services
- **What:** Education/training, Religious Activities
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** NATIONAL
- Bracknell Forest
- Reading
- Slough
- West Berkshire
- Windsor And Maidenhead
- Wokingham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£872,445	£1,197,618	£14,488,377	15
2024-08-31	£568,545	£1,218,871	£14,738,796	15
2023-08-31	£597,883	£1,078,534	£15,250,691	15
2022-08-31	£634,063	£932,933	£15,976,074	13
2021-08-31	£483,205	£795,808	-	-

Trustees

Name	Role	Appointed
REV PAUL GUNTER OSB	Chair	2017-03-23
REV THOMAS HOLT OSB		2017-03-23
Rev Andrew Scott Hugh Somerville Knapman OSB		2014-11-18
Rev Mark Benedict Thompson OSB		2025-05-20
Rev Stephen Gabriel Wilson OSB		2022-05-11

Linked charities

- TRUST PROPERTY HELD IN CONNEXION WITH R C CHURCH, COWPEN NORTHUMBERLAND (236962-1)
- TRUST PROPERTY HELD IN CONNEXION WITH R C CHURCH AT KEMERTON, GLOUCESTER (236962-2)
- TRUST PROPERTY IN CONNEXION WITH R C CHURCH, SCARISBRICK, LANCASTER (236962-3)

Accounts



**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT
STRATEGIC REPORT, TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST BENEDICT

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Reference and Administrative Details
For The Year Ended 31 August 2025

Trustees	Rev S G Wilson Rev T Holt OSB Rev A S Knapman Rev P Gunter - Chair Rev M B Thompson OSB (appointed 20/05/2025)
Bankers	NatWest Bank plc 30 Market Place Newbury RG14 5AJ
Investment Managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Solicitors	Knights LLP Rivergate House Newbury Business Park London Road Newbury RG14 2PZ
Charity Number	236962
Principal Address	Douai Abbey Upper Woolhampton Reading Berkshire RG7 5TQ
Accountants	Holy Brook Associates Ltd Curious Lounge Reading Berkshire RG11NH
Auditors	Caldwell Penn Limited Unit 7a Abbey Business Park Monks Walk Farnham Surrey GU9 8HT

THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST BENEDICT

Trustees' Report For The Year Ended 31 August 2025

The trustees present their report and the financial statements for the year ended 31 August 2025.

Objectives and Activities

Aims and Objectives

The trustees present their statutory report together with the accounts of Douai Abbey Trust ('the charity') for the year ended 31 August 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 23 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of Saint Edmund of the English Congregation of the Order of St Benedict ('the Community'), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational, pastoral, and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as 'The Trustees of Douai Abbey' by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- Caring for members of the Community including those who are older and/or frail;
- The provision of education in the broadest sense, and the education of new members of the Community training for the monastic life;
- The provision of social and pastoral work, particularly in the field of hospitality; and
- Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Significant Activities

As stated above under 'Mission' the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into several principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

Formal Divine Service and other services in the Abbey Church

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The Masses on Sunday and on major feast days are well attended by parishioners and by others from further afield. During the day, the Abbey Church is open outside the hours of formal services, and visitors may come and pray by themselves. The Abbey Church also hosts the local diocese and other churches in the area which do not have enough space for large celebrations.

The Abbey Church is a listed building (Grade 2*) and some people visit to appreciate its architecture; guidebooks and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

Regular concerts in the Abbey Church are organised by the monastic community and by outside organisations, and these significantly enhance the cultural life of West Berkshire and further afield. It is made clear to those who attend such concerts that the Abbey Church is a sacred space, and all concerts have an element of prayer and blessing. This serves the aims of the charity, even if visitors' primary reason for attending is for the music.

The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and formal services to mark the end of the school year. Most of these events are made possible without a prescribed charge to these schools.

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Significant Activities - continued

Caring for members of the Community including those who are older and/or frail

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, are covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, consequently, they will assess how it affects the ministries undertaken by individual members of the Community. The trustees are conscious of the financial implications for the charity's resources in the short term and beyond.

The provision of education

The Community's work in the field of education is broad and includes the education of new members of the Community who are training for monastic life and Church ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the Community's pastoral programme of talks, and by offering retreats and courses for spiritual and theological instruction and renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which constitutes another strand in the Community's educational outreach.

The provision of hospitality and pastoral work

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees regularly review the suggested charges, especially in light of the charity's ongoing financial constraints. The trustees consider that this is a clear and significant means by which the charity can discharge its mission for public benefit. While most of our guests are Roman Catholic, significant numbers from other Christian denominations, and other religions, are also welcomed.

Further provision of hospitality and pastoral work

Members of the Community continue to maintain and develop pastoral work in the parishes that are the formal responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parishes Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which are not owned by the Community.

Members of the Community working elsewhere

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches, as well as supervising the formation of those of its students in training for the Catholic priesthood. He also serves the English Benedictine Congregation as its representative in Rome. The Abbot continues to work as Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

Donations to other organisations

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

Protection of Children and Vulnerable Adults

Like all other organisations who serve in the Community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are fully committed to implementing all policies and procedures of the Religious Life Safeguarding Service (RLSS). The Safeguarding Lead for the charity continues to work for the Community. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level. Safeguarding appears as an agenda item on every trustee meeting, and the Safeguarding Lead attends at least one meeting of the trust during the year. In autumn of 2023, the Community was granted 'Comprehensive Assurance' for its safeguarding policies and procedures. Every October the entire Community undertakes intensive safeguarding training.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Public Benefit

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Social Investment

The charity has a portfolio of listed investments totalling £4,487,970 (2024 £4,606,025). In addition the investment manager holds cash awaiting investment.

Together these have a market value at 31 August 2025 of £4,518,050 (2024 – £4,606,057). There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile, and the investment manager's view of the market prospects in the medium term.

The trustees have agreed a detailed investment policy, including ethical guidelines, with the investment managers, Ruffer LLP, which informs their choice of securities for investment. According to its ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as such activities can be practically established. With the help of our investment managers, the overall investment policy is to preserve capital and to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are regularly reviewed by the trustees. For many years the trustees have appointed financial advisers who attend trustees' meetings three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisors can be found on page 1. The charity also has several properties which are used to generate rental income, and which are classified in the accounts as investment properties.

Volunteers

The trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers, and individual members of the Community. Their contribution to the life and work of the charity is greatly valued and appreciated.

Investment Policy

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2025 of £4,518,050 (2024 – £4,606,057).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile, and the investment manager's view of the market prospects in the medium term. The trustees have agreed a detailed investment policy, including ethical guidelines, with the investment managers, Ruffer LLP, which informs their choice of securities for investment. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as such activities can be practically established. With the help of our investment managers, the overall investment policy is to preserve capital and to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees. For many years the trustees have appointed financial advisers who attend trustees' meetings three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisers can be found in the reference and administrative details.

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Achievements and Performance

Charitable Activities

Formal Divine Service and other services in the Abbey Church

By its very nature the regular round of Divine Services in a monastery do not vary much from year to year. The pandemic gave rise to many restrictions on the ability of lay people and guests to participate, but levels of attendance have recovered. Cameras and an enhanced sound system were installed in 2022 to enable live-streaming, and this has continued to be used for special occasions for the public, particularly for funerals and weddings.

Caring for older and frail members of the community

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Charitable Activities - continued

A monk serves as infirmarian for the Community, and is responsible in the first instance for the care of the ill, the frail, and the otherwise infirm members of the Community. Outside medical professionals are retained to manage and treat any specific chronic health needs. At present there is no member of the Community requiring specialised care for a chronic health need.

Our buildings and our environment

No major projects were undertaken in the reporting year, though subsequently there has been significant work on the water supply for the Community's buildings. Otherwise, work consisted of the usual maintenance and repairs for the Community's buildings. The two churches on site—the Abbey Church and the Parish Church—have been subject to quinquennial inspections over many years in accordance with best practice, and during the year work was done to address some of the points raised in the most recent inspection.

The provision of education

A novice monk made his simple profession of vows in October 2024, and has now begun some studies at Blackfriars, Oxford. Another monk, who made his solemn profession of vows in June 2024, is continuing full-time studies, also at Blackfriars.

The trustees consider the monastery's archive and library to be part of its educational mission, and outside researchers and students regularly use these facilities. An archivist is employed to catalogue the archives, and to assist researchers when necessary. The Community holds the archives of several other religious congregations and monasteries. The Community produces a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School, and other friends and supporters. The most recent edition included, among other things, the definitive biography of a monk of our Community who was a missionary in colonial Australia, as well as pieces by two monks looking back on the liturgical life of the Community in the 1950s. The forthcoming edition will have pieces on liturgy and Community history.

The Community's publishing imprint, Weldon Press, which is managed and operated by a member of the Community, published in December 2024 the first biography of the eminent English Benedictine, Bishop Christopher Butler. Publishing such works of scholarship is also seen as part of the Community's wider involvement in education.

The provision of hospitality and pastoral work

The Guest House has been open throughout the year, and demand for retreats and other stays has been strong. Income from the Guest House and related activities totalled £107,531(2024 — £149,472). The Community has been reviewing the operation of the guesthouse in order to maximise efficiency and income, and to provide a structure that is more manageable by the Community while still able to offer the high level of Benedictine hospitality to which the Community aspires.

Our monks have continued to serve in the Community's own parishes in the Midlands and in Lancashire, as well as assisting the wider Church by serving parishes in West Wales and Hampshire.

Investment Performance

During the year to 31 August 2025, the charity's listed investments produced an income yield of 0.3% (2024 — 0.5%). The charity's listed investments rose in value during the year, giving rise to a net investment gain of £74,754 (2024 — gain of £138,431) on the portfolio.

Investment properties produced rental income of £121,751(2024 — £109,236) during the year.

Financial Review

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Financial Position

Results for the year

A summary of the results for the year can be found in the attached accounts.

Total income for the year amounted to £872,445 compared to £568,545 in the previous year. Donations and legacies amounted to £477,768 compared to £250,475 in 2024. The total figures include donations of £3,368 (2024 — £23,079) being monies restricted in their use and mainly raised towards the future costs of maintaining the library and archives. Income from charitable activities, i.e. retreat house income and related receipts decreased to £118,781 (2024 — £168,456) income from visitors and other trading activities rose to £3,391 (2024 — £3,245). Income from listed and property investments, together with interest receivable, amounted to £260,505 (2024 — £134,369).

Expenditure amounted to £1,197,618 compared to £1,218,871 in 2024. The cost of raising funds decreased to £34,758 (2024 — £101,275), the costs in relation to supporting the Community and their ministry rose to £1,162,860 (2024 — £1,117,576).

Net expenditure for the year, before investment gains and foreign exchange gains, was £325,173 (2024 — £650,326). The net investment gains totalled £74,754 (2024 — gains of £138,431) in respect to listed investments and investment properties. Forward foreign exchange gains/losses totalled £0 (2024 — £0). When these net losses/gains are accounted for, the overall impact on the charity's funds is a decrease of £250,419 for the year (2024 — decrease of £511,895).

Financial position

The balance sheet shows total funds £14,488,377 (2024 — £14,738,796).

These funds include an amount of £146,921 (2024 — £160,695) which is restricted. These monies have either been raised for and their use restricted to specific purposes, or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in note 21 to the accounts together with an analysis of movements in the year.

Unrestricted Fund balances at 31 August 2025 were represented by:

£5,831,593 (2024 — £6,018,706) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Funds totalling £5,150,000 (2024 — £5,150,000) have been designated, or set aside, by the trustees for specific purposes as follows:

- An amount of £4,150,000 (2024 — £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- £1,000,000 (2024 — £1,000,000) has been designated for the cost of future improvements to, and maintenance of, the charity's freehold properties. Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 21 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2025 total £3,359,863 (2024 — £3,409,395).

The trustees consider that this level of free reserves is appropriate despite it being slightly less than the amount set out in the charity's reserves policy above. The Trustees note the increased expenditure owing to general inflationary pressures, exceptional costs and regulatory compliance that gives rise to concern that reserves may be insufficient to meet the current policy of 36 months of expenditure. The Trustees have reviewed the policy, continue to believe the policy remains valid and sufficient reserves should be maintained to meet 36 months of expenditure. They also accept that in the years ahead, members of the Community are likely to require increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2024 — £4,150,000) described above may prove to be inadequate. Care home costs in recent years for a now-deceased member of the Community have brought this possibility into sharp relief.

The Trustees are working with their advisors and the new bursar to look at ways to redress the current deficit, reducing expenditure and increasing income, together with looking at ways to increase the reserves to correct this potential imbalance. Moreover, the Community as a whole is actively engaged in a process of reviewing its activities and structure with this need in mind.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Reserves Policy

As explained above, the charity carries out a diverse range of activities, some of which comprise short-term and externally-funded projects, whilst others comprise long-term projects requiring significant ongoing financial commitment and investment.

The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed.

The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to a minimum of 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate sufficient returns to fund recurring expenditure. The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Principal Risk and Uncertainties

The trustees have assessed the major risks to which the charity is exposed, particularly those relating to the specific operational areas of the charity, its investments and its finances, and have done so having regard to the effects of the unprecedented Covid-19 pandemic. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key personnel, disaster recovery, and reputational risk.

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

- *Loss of key management (Abbot, Bursar et al)*

The trustees are aware that they are very dependent on several key people, and that the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the administrative burden of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Community is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties. The Community has not so far needed to avail itself of such support.

- *Failure to recruit and retain new members.*

The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.

- *Dependence on returns from investments rather than from operations.*

The charity relies largely on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, considering current and future political and economic uncertainties. As explained in 'Reserves Policy', the charity's reserves policy reflects the need to hold investments to generate investment returns to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees have maintained a regular dialogue with the charity's investment managers, Ruffer LLP.

- *Safeguarding and other reputational issues*

These are addressed under relevant policies.

Raising Funds

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters, especially through the Society of Saint Edmund at Douai Abbey (SSEDA). It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters.

It applies best practice to protect supporters' data and never sells such data, nor swaps it, and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. In this we are fortunate to have advice from those experienced in such matters.

The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Future Developments

The trustees intend to continue to follow up the recommendations of independent consultant Steven Little's financial report which was presented to them in October 2022. At present the Community is reviewing its structure and activities, assisted by professional planning consultants, with a view to deciding from among several options the best way forward for the charity.

The recommended offerings for visitors to the Guest House have been reviewed and amended to ensure a better return while still being less than the market rate. The activities of the Guest House have been revised likewise to enhance manageability and maximise income. Progress has been made, with the help of professional advice, in identifying activities related to the charity on which VAT relief might be sought. SSEDA, a fundraising vehicle launched in late 2023, is consolidating its role in securing long-term giving and engaging donors more closely in the life and identity of the Community.

The trustees have significantly increased the remuneration paid to the lay bursar, Mr Gordon Heslop, to reflect better the variety and burden of his workload as it has been developing over the past year, and continues to develop. This imposes a significant extra cost to the charity, but with the benefit of enhanced professionalism and expertise to the charity's increasingly complex and challenging financial and operations management.

Matters more related to the internal life of the Community are managed by the procurator, Fr Hugh Somerville Knapman, who supports and works closely with the bursar, especially as many matters are not easily categorised as the work of one or the other of them. The procurator has as a primary task the safeguarding and promotion of the material interests of the Community as its members pursue their religious life and vocation. His role, too, has developed over the past year, and is continuing to develop.

The bursar, with the procurator, has been working with a specialist legal team in preparing for the charity's transition from a charitable trust to a charitable incorporated organisation (CIO) by 31 August 2026. The new status as a CIO should enhance the charity's operations in the future.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Structure, Governance and Management

Governing Document

Douai Abbey, founded in Paris in 1615, is an autonomous monastery of the English Benedictine Congregation (EBC), within the Roman Catholic Church. The conduct and administration of the monastery is subject to the Constitutions of the EBC, and to the precepts of the Code of Canon Law of the Roman Catholic Church.

In terms of civil law, the charity is governed by a trust deed dated 22 September 1934 and is a registered charity, Charity Registration No. 236962.

Trustee Selection Methods

The trustees of the charity are the Abbot and the members of his Council. The membership of the Abbot's Council is renewed each year, with one member appointed by the Abbot himself from among the members of the Community, and the others elected by the members of the Community.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly every quarter or so, the charity's trustees are involved daily in the work of the charity, live within the Abbey itself or on its parishes, and meet and interact on a frequent basis. As members of the monastic Community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members.

The trustees seek advice from professional advisors where necessary on legal, accounting, property, and other matters. In addition, a voluntary group of professionals of varied financial and business experience advises the trustees on investment policy, financial management, and strategic development. The bursar has significant financial and management experience, both in the City and in trust management. The Abbot and some of his councillors are also trustees of other trusts, and the Abbot attends meetings with other religious superiors during the year. The trustees are encouraged to attend relevant and appropriate courses and conferences to enable them to keep up to date regarding their responsibilities and with developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2025 are given below:

Rt. Rev. P Gunter OSB

Abbot of Douai and chairman of trustees since May 2022. Previously he had been Parish Priest of Alcester since 2016 and since 2012 has been Secretary of the Department of Christian Life and Worship of the Catholic Bishop's Conference of England and Wales. He has served as a consultor to the Office of the Liturgical Celebrations of the Supreme Pontiff, and held teaching positions at the Pontifical Athenaeum Regina Apostolorum and the Pontifical Liturgical Institute in Rome. Prior to that he undertook further studies in Rome from 2002 to 2006, and was Parish Priest of Studley 1999–2002 and assistant priest, school and hospital chaplain at Cheltenham from 1992 to 1999.

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Trustees' Report (continued)
For The Year Ended 31 August 2025

Trustee Selection Methods - continued

Very Rev. Gabriel Wilson OSB

Before joining the Douai Community in 2008 he had been a teacher of English, head of department and Advanced Skills secondary school teacher for 17 years. He is currently Prior and Novicemaster. Previously he has directed the Community's Pastoral Programme, led retreats, coordinated the Community's Alongsider Programme for those exploring monastic life, and been Parish Priest of St Mary's, Woolhampton. He looks after the Douai Abbey apiary, advocating locally-adapted bees and treatment-free beekeeping.

Rev. M Benedict Thompson OSB

He has been a member of the community since 1993. Previously he had studied at the Royal College of Music, and was awarded a scholarship to the National Opera Studio. In the years following he worked professionally as an opera singer internationally, including as Principal Tenor with the English National Opera. After entering the Douai community he pursued ecclesiastical studies at Saint Benet's Hall in Oxford. He has served the Community at various times as assistant bursar and monastic Choirmaster. A certified counsellor he has offered counselling services in London, and was for a time chaplain at Southampton General Hospital. After a time as assistant Parish Priest at the monastery parish of Woolhampton, he was appointed Parish Priest of Studley in 2010, where he still serves.

Rev. T J Oliver Holt OSB

After taking a degree in English at Oxford, he was teacher of the subject in Douai School from 1977 to 1999, and a housemaster there from 1982 to 1999. He was Bursar of Douai Abbey from 2005 to 2024, an Abbey trustee at various times since 1997, and held trusteeships at Priors Court School from 2005 to 2014, the Lejeune Clinic for children with Down's Syndrome from 2006 to 2016, Friends of the Newbury Spring Festival from 2008 to 2018, and Downside Abbey from 2016 to 2019. In Autumn 2024 he became Parish Priest of Stratford-upon-Avon.

Rev. A Hugh Somerville Knapman OSB

Joining the monastery in early 2001, he was ordained a priest in April 2007 after theological studies in Oxford, with studies in Rome after ordination. His 2017 MPhil theological dissertation at the University of Bristol was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney, and worked in education and later in a civilian role as radio communications officer for the New South Wales Police in Sydney (Australia), of which city he is a native. In August 2024 he returned to the monastery after three years as Parish Priest of Scarisbrick to take up the new role of Procurator. He undertakes various publishing projects for the Community under its imprint, Weldon Press, edits the Community's annual The Douai Magazine, and manages the Community's website

Key Management Remuneration

The trustees consider that they, together with the Bursar, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

The trustees are all members of the Community, and while their living and personal expenses are borne by the charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees. The Bursar is an employee of the charity and serves as clerk of trustees as part of his duties as Bursar.

Organisational Structure

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet at least every two months to review developments regarding the charity or its activities and to make any important decisions.

As detailed above, when necessary, the trustees seek advice and support from the charity's professional and voluntary advisers on matters relating to property management, investment portfolio management, civil law, human resources management, and finance and accounting. For some matters the Constitutions of the EBC require the Abbot to seek the consent of either his councillors or the whole Community's, while for other matters it is only necessary to consult the Community.

Related Parties

The Community is responsible for the administration of seven Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity, the Douai Abbey Parishes Trust (Registered Charity No. 1063237). Currently four of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parishes Trust. Details of transactions between the two charities are given in the notes to the accounts.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Trustees' Report (continued)
For The Year Ended 31 August 2025

Other advisors

The Douai Abbey trustees have several financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings. The trustees are seeking additional advisors with areas of expertise currently under-represented in the trust.

Dr Ralph Townsend was Headmaster of Winchester College from 2005 to 2016. He was President of Keio Academy of New York and Special Adviser to the President of Keio University from 2017 to 2021, and Chairman of The Prep Schools Trust from 2017 to 2022. He has been director of an educational consultancy, Winton Consult Limited, since 2017, advising on school governance, management, and curriculum in Europe and the USA.

Mr Graham Hutton worked in financial services for the whole of his career until retiring in 2020. He was a director of the merchant bank Morgan Grenfell from 1988 to 1998, and Chief Executive of Morgan Grenfell Private Equity from 1998 to 2001. He then co-founded the private equity firm, Hutton Collins, of which he was one of two senior partners until his retirement. He is a Knight of Magistral Grace in the Order of Malta, and Deputy Chairman, and Chairman of the Finance Committee, of the Order of St John Care Trust. He is a board member of the International Theological Institute in Trumau, Austria and was Chairman of Aid to the Church in Need, UK, from 2013 to 2022.

Ms Kate Burke is the Community's Safeguarding Lead. She was a social worker for 42 years. She has undertaken advanced training in Child Protection (Safeguarding). She delivered training for many years until 2014 at the Thames Valley Police College, Sulhamstead to police and social services staff. She served for 15 years on the Portsmouth Diocesan Safeguarding Commission, until 2019. Kate currently works with the dioceses of Southwark, Westminster, and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Standards Agency. She has pursued studies on the theology of safeguarding.

Other Information

Employees, volunteers, and members of the Community

The trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers, and individual members of the Community. Their contribution to the life and work of the charity is greatly valued and appreciated.

Statement of Trustees' Responsibilities

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

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

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

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

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments regarding the charity or its activities and to make any important decisions. As stated above, when necessary, the trustees seek advice and support from the charity's professional and voluntary advisers, e.g. property consultants, investment managers, solicitors, and accountants. For some matters the constitutions of the English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Trustees' Report (continued)
For The Year Ended 31 August 2025

The trustees' report was approved by the board of trustees and signed on its behalf by:

 (Feb 16, 2026 15:47:22 GMT)

Rev P Gunter

Trustee

Date 16/02/2026

**Independent Auditor's Report
to the Members of
THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**

Opinion

We have audited the financial statements of THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST BENEDICT (the "charity") for the year ended 31 August 2025 which comprise the Statement of Financial Activities (including Income and Expenditure Account), Statement of Financial Position, Statement of Cash Flows and the related notes, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 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

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

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

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

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 this gives rise to a material misstatement in the financial statements themselves. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

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

Independent Auditor's Report (continued)
to the Members of
THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Use Of Our Report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Katharine Halsall, Senior Statutory Auditor

Katharine Halsall
Katharine Halsall (Feb 20, 2026 11:57:10 GMT)

Caldwell Penn Limited

Date 16/02/2026

Caldwell Penn Limited
Unit 7a Abbey Business Park
Monks Walk
Farnham
Surrey
GU9 8HT

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Statement of Financial Activities
For The Year Ended 31 August 2025

				2025	2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	474,400	3,368	477,768	250,475
Charitable activities	4	118,781	-	118,781	168,456
Other trading activities	5	3,391	-	3,391	3,245
Investments	6	260,505	-	260,505	134,369
Other	7	12,000	-	12,000	12,000
		<u>869,077</u>	<u>3,368</u>	<u>872,445</u>	<u>568,545</u>
EXPENDITURE ON:					
Raising funds	9	(34,758)	-	(34,758)	(101,275)
Charitable activities	9	(1,146,664)	(16,196)	(1,162,860)	(1,117,596)
		<u>(1,181,422)</u>	<u>(16,196)</u>	<u>(1,197,618)</u>	<u>(1,218,871)</u>
NET EXPENDITURE BEFORE INVESTMENT LOSSES		(312,345)	(12,828)	(325,173)	(650,326)
Net gains on investments		74,754	-	74,754	138,431
NET EXPENDITURE		(237,591)	(12,828)	(250,419)	(511,895)
Transfers between funds	21	946	(946)	-	-
NET MOVEMENT IN FUNDS		(236,645)	(13,774)	(250,419)	(511,895)
RECONCILIATION OF FUNDS:					
Total funds brought forward		14,578,101	160,695	14,738,796	15,250,691
TOTAL FUNDS CARRIED FORWARD	21	14,341,456	146,921	14,488,377	14,738,796

The notes on pages 19 to 32 form part of these financial statements.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Comparative Statement of Financial Activities
For The Year Ended 31 August 2025

		2024		
		Unrestricted funds	Restricted funds	Total funds
	Notes	£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	227,396	23,079	250,475
Charitable activities	4	168,456	-	168,456
Other trading activities	5	3,245	-	3,245
Investments	6	134,369	-	134,369
Other	7	12,000	-	12,000
		<u>545,466</u>	<u>23,079</u>	<u>568,545</u>
EXPENDITURE ON:				
Raising funds	9	(101,275)	-	(101,275)
Charitable activities	9	(1,093,263)	(24,333)	(1,117,596)
		<u>(1,194,538)</u>	<u>(24,333)</u>	<u>(1,218,871)</u>
NET EXPENDITURE BEFORE INVESTMENT LOSSES		<u>(649,072)</u>	<u>(1,254)</u>	<u>(650,326)</u>
Net gains/(losses) on investments		138,431	-	138,431
NET EXPENDITURE		<u>(510,641)</u>	<u>(1,254)</u>	<u>(511,895)</u>
NET MOVEMENT IN FUNDS		<u>(510,641)</u>	<u>(1,254)</u>	<u>(511,895)</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		15,088,742	161,949	15,250,691
TOTAL FUNDS CARRIED FORWARD	21	<u>14,578,101</u>	<u>160,695</u>	<u>14,738,796</u>

The notes on pages 19 to 32 form part of these financial statements.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Statement of Financial Position
As At 31 August 2025

				2025	2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	14	5,831,593	-	5,831,593	6,018,706
Investment Properties	15	3,940,000	-	3,940,000	3,940,000
Investments	16	4,340,869	146,921	4,487,790	4,606,025
		14,112,462	146,921	14,259,383	14,564,731
CURRENT ASSETS					
Stocks	17	9,235	-	9,235	7,137
Debtors	18	77,513	-	77,513	100,671
Investments	19	30,260	-	30,260	32
Cash at bank and in hand		212,593	-	212,593	184,437
		329,601	-	329,601	292,277
Creditors: Amounts Falling Due Within One Year	20	(100,607)	-	(100,607)	(118,212)
NET CURRENT ASSETS (LIABILITIES)		228,994	-	228,994	174,065
TOTAL ASSETS LESS CURRENT LIABILITIES		14,341,456	146,921	14,488,377	14,738,796
NET ASSETS		14,341,456	146,921	14,488,377	14,738,796
FUNDS OF THE CHARITY					
Restricted Funds				146,921	160,695
Unrestricted Funds				14,341,456	14,578,101
TOTAL FUNDS	21			14,488,377	14,738,796

On behalf of the board

 (Feb 16, 2026 15:47:22 GMT)

Rev P Gunter

Trustee

Date 16/02/2026

The notes on pages 19 to 32 form part of these financial statements.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Statement of Cash Flows
For The Year Ended 31 August 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operations	1	(387,302)	(495,470)
Net cash used in operating activities		<u>(387,302)</u>	<u>(495,470)</u>
Cash flows from investing activities			
Purchase of tangible assets		(7,808)	(11,540)
Purchase of other fixed asset investments		(106,718)	(7,120,146)
Proceeds from disposal of other fixed asset investments		299,707	495,468
Purchase of current asset investments		-	6,945,299
Interest received		1,956	3,257
Dividends received		136,798	21,908
Rents received from investment properties		121,751	109,236
Net cash generated from investing activities		<u>445,686</u>	<u>443,482</u>
Increase/(decrease) in cash and cash equivalents		<u>58,384</u>	<u>(51,988)</u>
Cash and cash equivalents at beginning of year	2	<u>184,469</u>	<u>236,457</u>
Cash and cash equivalents at end of year	2	<u><u>242,853</u></u>	<u><u>184,469</u></u>

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**

**Notes to the Statement of Cash Flows
For The Year Ended 31 August 2025**

1. Reconciliation of expenditure to cash used in operations

	2025	2024
	£	£
Net expenditure	(250,419)	(511,895)
<i>Adjustments for:</i>		
Interest income	(1,514)	(816)
Income from investments	(258,991)	(133,616)
Depreciation of tangible assets	194,921	197,168
Provisions of fixed asset investments	-	11,540
Loss on disposal of intangible assets	293	-
Profit on revaluation of fixed assets	(75,047)	-
Foreign exchange gains	-	(138,369)
<i>Movements in working capital:</i>		
(Increase)/decrease in stocks	(2,098)	9,314
Decrease in trade and other debtors	23,158	697
(Decrease)/increase in trade and other creditors	(17,605)	70,507
Net cash used in operations	<u>(387,302)</u>	<u>(495,470)</u>

2. Cash and cash equivalents

Cash and cash equivalents, as stated in the Statement of Cash Flows, relates to the following items in the Balance Sheet:

	2025	2024
	£	£
Cash at bank and in hand	212,593	184,437
Short term deposits including current asset investments (less than 3 months)	30,260	32
Cash and cash equivalents as stated in the Statement of Cash Flows	<u>242,853</u>	<u>184,469</u>

3. Analysis of changes in net funds

	As at 1 September 2024	Cash flows	As at 31 August 2025
	£	£	£
Cash at bank and in hand	184,437	28,156	212,593
Short term deposits including current asset investments (less than 3 months)	32	30,228	30,260
Cash and cash equivalents	<u>184,469</u>	<u>58,384</u>	<u>242,853</u>

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Notes to the Financial Statements
For The Year Ended 31 August 2025

1. General Information

THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST BENEDICT is an unincorporated charity registered with the Charity Commission, registered charity number 236962. The principal address is Douai Abbey, Upper Woolhampton, Reading, Berkshire, RG7 5TQ.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- assessing the probability of the receipt of legacy income and estimating the amount to be received;
- estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- estimating the fair value of investment properties;
- determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and estimating future income and expenditure flows for the purpose of assessing going concern (see below).

2.2. Going Concern Disclosure

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

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above.

With regard to the next accounting period, the year ending 31 August 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

2.3. Fund Accounting

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

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

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

2.4. Incoming Resources

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

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income.

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

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

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

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

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

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

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

2.5. Resources Expended

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings.

The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
BENEDICT**
Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

2.6. Tangible Fixed Assets and Depreciation

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis. Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Plant, furniture and equipment – 5% to 20% per annum based on cost
- Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Freehold	1% or 2%
Plant & Machinery	5% to 20%
Motor Vehicles	25%

2.7. Investment Properties

All investment properties are carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided for. Changes in fair value are recognised in the statement of financial activities.

2.8. Investments

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

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument.

They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally on 27 February 2023 for the year ended 31 August 2022 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation—Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

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

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

2.9. Stocks and Work in Progress

Stock is comprised of books, cards and other similar items held for sale in a small shop for visitors to the Abbey. Stock items are valued at the lower of cost or realisable value where this is deemed to be lower than original cost.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

2.10. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

2.11. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating surplus.

2.12. Taxation

The charity is exempt from tax as all its income is charitable and applied for charitable purposes.

2.13. Pensions

The charity operates a defined pension contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

2.14. Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability.

Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

2.15. Creditors

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

2.16. Services provided by members of the community

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

3. Income from Donations and Legacies

	Unrestricted funds	Restricted funds	2025 Total funds
	£	£	£
Donations and gifts:			
Donations and gifts	73,038	3,368	76,406
Collections and offertory	44,135	-	44,135
Amount receivable from parishes administered by Douai Abbey	92,472	-	92,472
Legacies	183,420	-	183,420
Other:			
Pensions and other income of individual religious received under deed of covenant	81,335	-	81,335
	474,400	3,368	477,768
	474,400	3,368	477,768

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

	Unrestricted funds	Restricted funds	2024 Total funds
	£	£	£
Donations and gifts:			
Donations and gifts	19,056	23,079	42,135
Collections and offertory	37,971	-	37,971
Amount receivable from parishes administered by Douai Abbey	111,945	-	111,945
Legacies	(17,932)	-	(17,932)
Other:			
Pensions and other income of individual religious received under deed of covenant	76,356	-	76,356
	<u>227,396</u>	<u>23,079</u>	<u>250,475</u>

4. Income from Charitable Activities

	2025 Unrestricted funds £	2024 Unrestricted funds £
Support of members of the community and their ministry	<u>118,781</u>	<u>168,456</u>

5. Income from Other Trading Activities

	2025 Unrestricted funds £	2024 Unrestricted funds £
Income from other trading activities	<u>3,391</u>	<u>3,245</u>

6. Investment Income

	2025 Unrestricted funds £	2024 Unrestricted funds £
Bank interest receivable	1,514	816
Interest from investments	442	2,409
Dividends from investments	136,798	21,908
Rents received from investment properties	121,751	109,236
	<u>260,505</u>	<u>134,369</u>

7. Other Income

	2025 Unrestricted funds £	2024 Unrestricted funds £
Rental and other income from property	<u>12,000</u>	<u>12,000</u>

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

8. Net Income/(Expenditure)

The net expenditure is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets - owned	194,921	197,168

9. Analysis of Expenditure

			2025
	Activities undertaken directly	Support costs (see note 10)	Total
	£	£	£
Raising funds	34,758	-	34,758
Support of members of the community and their ministry	199,583	963,277	1,162,860
	<u>234,341</u>	<u>963,277</u>	<u>1,197,618</u>

			2024
	Activities undertaken directly	Support costs (see note 10)	Total
	£	£	£
Raising funds	101,274	1	101,275
Support of members of the community and their ministry	305,241	812,355	1,117,596
	<u>406,515</u>	<u>812,356</u>	<u>1,218,871</u>

10. Support Costs

	2025
	Support of members of the community and their ministry
	£
Employee costs	273,453
Premises expenses	257,374
General administration	178,211
Depreciation	194,921
Governance costs	59,318
	<u>963,277</u>

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

			2024
	Raising funds	Support of members of the community and their ministry	Total
	£	£	£
Employee costs	-	231,343	231,343
Premises expenses	-	241,343	241,343
General administration	1	92,133	92,134
Depreciation	-	197,168	197,168
Governance costs	-	50,368	50,368
	<u>1</u>	<u>812,355</u>	<u>812,356</u>

11. Auditor's Remuneration

Remuneration received by the charity's auditors and their associates during the year was as follows:

	2025	2024
	£	£
Audit Services		
Audit of the company's financial statements	<u>6,268</u>	<u>6,000</u>

12. Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	<u>269,334</u>	<u>225,590</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the Bursar. The Bursar received £46,268 salary (2024 – £3,083).

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

13. Average Number of Employees

Average number of employees during the year was: 15 (2024: 15)

14. Tangible Assets

	Land & Property Freehold	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
As at 1 September 2024	9,347,196	308,720	36,950	9,692,866
Additions	-	4,208	3,600	7,808
As at 31 August 2025	<u>9,347,196</u>	<u>312,928</u>	<u>40,550</u>	<u>9,700,674</u>
Depreciation				
As at 1 September 2024	3,432,822	221,912	19,426	3,674,160
Provided during the period	171,410	14,548	8,963	194,921
As at 31 August 2025	<u>3,604,232</u>	<u>236,460</u>	<u>28,389</u>	<u>3,869,081</u>
Net Book Value				
As at 31 August 2025	<u>5,742,964</u>	<u>76,468</u>	<u>12,161</u>	<u>5,831,593</u>
As at 1 September 2024	<u>5,914,374</u>	<u>86,808</u>	<u>17,524</u>	<u>6,018,706</u>

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

It is likely that there are material differences between the open market values of the charity's freehold land and buildings and their book values. These arise from the specialised nature of some of the properties and the effects of inflation.

15. Investment Property

	2025
	£
Fair Value	
As at 1 September 2024 and 31 August 2025	<u>3,940,000</u>

The charity's freehold investment properties are included at fair value based on open market value. They were re-valued formally on 27 February 2023 for the year ended 31 August 2022.

The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation— Professional Standards 2020 incorporating the IVSC International Valuations Standards (the 'Red Book').

The Trustees do not consider there to be a material difference in the open market value between the valuation date and the current date.

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

16. Investments

	Listed £
Cost or Valuation	
As at 1 September 2024	4,606,025
Additions	106,718
Revaluations	75,047
Transfers	(300,000)
As at 31 August 2025	<u>4,487,790</u>
Provision	
As at 1 September 2024	-
As at 31 August 2025	<u>-</u>
Net Book Value	
As at 31 August 2025	<u>4,487,790</u>
As at 1 September 2024	<u>4,606,025</u>

At 31 August 2025, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date marked.

	2025 £	2024 £
Charity Assets Trust C Inc	4,487,254	4,605,758

Gains (losses) on foreign exchange contracts for the year ended 31 August 2025 consisted of the following:

	2025 £	2024 £
Foreign exchange contracts		
Fair value gains on unsettled contracts brought forward	-	4,664
Fair value gains (losses) on settlement	-	(4,664)
Fair value gains (losses) on unsettled contracts carried forward	-	-
Total gains (losses) on foreign exchange contracts	<u>-</u>	<u>-</u>

17. Stocks

	2025 £	2024 £
Stock	<u>9,235</u>	<u>7,137</u>

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

18. Debtors

	2025	2024
	£	£
Due within one year		
Other debtors	57,113	65,806
Due after more than one year		
Amounts owed by participating interests	20,000	20,000
Other debtors	400	14,865
	<u>20,400</u>	<u>34,865</u>
	<u>77,513</u>	<u>100,671</u>

On 13 February 2020, the trustees signed a loan agreement with Douai Abbey Parishes Trust (see Related Party Transactions) to loan funds to one of the parishes accounted for within the Douai Abbey Parishes Trust to be applied towards the refurbishment of a parish hall. The maximum amount to be advanced by the charity was £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021.

The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall, however repayments have not yet started. Repayments will be due annually and amount to £4,000 per annum. The hall is now in use.

19. Current Asset Investments

	2025	2024
	£	£
Short term deposits	<u>30,260</u>	<u>32</u>

20. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade creditors	71,388	97,210
Other creditors	10,047	10,019
Taxation and social security	11,404	4,192
Accruals and deferred income	7,768	6,791
	<u>100,607</u>	<u>118,212</u>

21. Movement in Funds

	As at 1 September 2024	Income	Expenditure	Transfers	As at 31 August 2025
	£	£	£	£	£
Unrestricted funds					
General:					
General unrestricted fund	3,409,395	869,077	(911,747)	(6,862)	3,359,863
Designated:					
Retirement reserves	4,150,000	-	-	-	4,150,000
Development fund	1,000,000	-	-	-	1,000,000
Tangible Fixed Assets Fund	6,018,706	-	(194,921)	7,808	5,831,593
	<u>11,168,706</u>	<u>-</u>	<u>(194,921)</u>	<u>7,808</u>	<u>10,981,593</u>
Total unrestricted funds	<u>14,578,101</u>	<u>869,077</u>	<u>(1,106,668)</u>	<u>946</u>	<u>14,341,456</u>

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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**Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025**

Restricted funds

Library Archives Fund	150,148	430	(13,763)	-	136,815
Restricted retirement Fund	5,129	2,743	-	-	7,872
Student Fund	4,472	195	(2,433)	-	2,234
Other restricted funds	946	-	-	(946)	-

Total restricted funds

160,695	3,368	(16,196)	(946)	146,921
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Total funds

14,738,796	872,445	(1,122,864)	-	14,488,377
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	As at 1 September 2023	Income	Expenditure	As at 31 August 2024
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	3,733,732	545,466	(869,803)	3,409,395
Designated:				
Retirement reserves	4,150,000	-	-	4,150,000
Development fund	1,000,000	-	-	1,000,000
Tangible Fixed Assets Fund	6,205,010	-	(186,304)	6,018,706
	11,355,010	-	(186,304)	11,168,706
Total unrestricted funds	15,088,742	545,466	(1,056,107)	14,578,101
Restricted funds				
Library Archives Fund	154,356	20,125	(24,333)	150,148
Restricted retirement Fund	2,544	2,585	-	5,129
Student Fund	4,103	369	-	4,472
Other restricted funds	946	-	-	946
Total restricted funds	161,949	23,079	(24,333)	160,695
Total funds	15,250,691	568,545	(1,080,440)	14,738,796

Restricted Funds:

The specific purposes for which the funds are to be applied are as follows:

• Library Archives Fund

This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.

• Restricted retirement Fund

This fund is made up of donations made to the Abbey towards the cost of retirement of members, including medical and care costs.

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

21. Movement in Funds - continued

- Student Fund

This fund represents monies received to help fund the studies of a student in India.

- Other restricted funds

This fund represents monies received for one-off specific purposes.

Designated Funds:

- Retirement Reserve

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement.

- Development Fund

The development fund comprises money set aside for future projects.

- Tangible Fixed Assets Fund

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

22. Transactions with Trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. None of the trustees has received any remuneration or reimbursement of expenses in connection with their duties as trustees (2024 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £9,848 (2024 – £8,648).

No trustee expenses have been incurred.

23. Related Party Disclosures

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) as both charities have several trustees in common.

During the year, rent of £12,000 (2024 – £12,000) for the use of St Mary's Church and office space in the monastery was received by Douai Abbey Trust from Douai Abbey Parishes Trust. No balance was outstanding at either year end.

On 13 February 2020 the trustees signed a loan agreement Douai Abbey Parishes Trust to loan funds to the parish of Our Lady and St Joseph's, Alcester. The amount agreed to be loaned by Douai Abbey Trust was a maximum of £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum but repayments had not yet started by the year end. The amount receivable at 31 August 2025 was therefore £20,000 (see above).

During the year, total amounts of £92,472 (2024 – £97,380) were received from the Douai Abbey Parishes Trust via the Common Purse, which represents amounts receivable directly by members of the Community in their capacity as parish priests. Amounts receivable at the year end amounted to nil (2024 – £14,465).

The salary and social security payments for the post of Douai Parish Administrator within the Douai Abbey Parishes Trust are processed through the charity's payroll. £14,485 (2024 – £14,184) was recharged to the Douai Abbey Parishes Trust in respect of the cost of employment for this staff member and no amounts were outstanding at the year end.

During the year, the charity paid costs of £2,088 (2024 – £1,786) to Douai Abbey Parishes Trust for printing on behalf of Douai Abbey. At the year end, none (2024 – none) remained outstanding.

Other than the transactions above and the donations received by trustees disclosed elsewhere in these accounts, there were no other related party transactions during the year which require disclosure (2024 – none).

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

24. Donations to other charities

Donations made to other charities, are as follows:

	2025	2024
	£	£
Mary's Meals	1,000	1,000
Cardinal Hume Centre	1,000	1,000
Providence Row	1,000	1,000
CAFOD	1,000	1,000
Marriage Care	-	1,000
Other Donations below £1,000	624	1,305
	<u>4,624</u>	<u>6,305</u>

26. Expenditure on Raising Funds

	2025	2024
	£	£
Investment property expenses	22,523	57,992
Investment manager's fees	-	40,622
Other	9,380	2,661
	<u>31,903</u>	<u>101,275</u>

All expenditure in 2025 and 2024 on raising funds was from unrestricted funds

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Notes to the Financial Statements (continued)
For The Year Ended 31 August 2025

27. Analysis of net assets between funds

Fund balances at 31 August 2025 were represented by:

	General Fund	Designated Fund	Tangible fixed assets fund	Restricted Fund	Total Funds
	£	£	£	£	£
Tangible fixed assets	-	-	5,831,593	-	5,831,593
Investments	3,160,861	5,150,000	-	146,921	8,457,782
Net current assets	198,734	-	-	-	198,734
	<u>3,359,595</u>	<u>5,150,000</u>	<u>5,831,593</u>	<u>146,921</u>	<u>14,488,109</u>
Total					

Fund balances at 31 August 2024 were represented by:

	General Fund	Designated Fund	Tangible fixed assets fund	Restricted Fund	Total Funds
	£	£	£	£	£
Tangible fixed assets	-	-	6,018,706	-	6,018,706
Investments	3,235,362	5,150,000	-	160,695	8,546,057
Net current assets	174,033	-	-	-	174,033
	<u>3,409,395</u>	<u>5,150,000</u>	<u>6,018,706</u>	<u>160,695</u>	<u>14,738,796</u>
Total					

28. Governance Costs

	2025 £	2024 £
Professional fees	27,963	37,206
Legal Fees	12,777	3,858
Consultancy	12,310	3,304
Auditors remuneration	6,268	6,000
	<u>59,318</u>	<u>50,368</u>
Total		

**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Detailed Statement of Financial Activities
For The Year Ended 31 August 2025

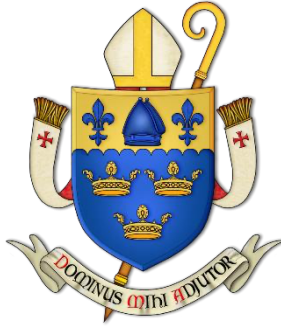
	2025	2024
	Total funds	Total funds
	£	£
INCOME AND ENDOWMENTS FROM:		
Donations and legacies		
Donations and gifts	76,406	42,135
Collections and offertory	44,135	37,971
Amount receivable from parishes administered by Douai Abbey	92,472	111,945
Legacies	183,420	(17,932)
Pensions and other income of individual religious received under deed of covenant	81,335	76,356
	<u>477,768</u>	<u>250,475</u>
Charitable Activities:		
Support of members of the community and their ministry		
Sales of religious books and artefacts	6,246	6,745
Retreat house and related income	107,531	149,472
Other income from charitable activities	5,004	12,239
	<u>118,781</u>	<u>168,456</u>
Other trading activities		
Income from other trading activities	3,391	3,245
	<u>3,391</u>	<u>3,245</u>
Investments		
Rental income from investment property	121,751	109,236
Dividends from other current asset investments - listed	136,798	21,908
Interest from other current asset investments - unlisted	442	2,409
Bank interest receivable	1,514	816
	<u>260,505</u>	<u>134,369</u>
Other		
Rental and other income from property	12,000	12,000
	<u>12,000</u>	<u>12,000</u>
	<u>872,445</u>	<u>568,545</u>
EXPENDITURE ON:		
Raising funds		
Opening stock and work in progress	(7,137)	(16,451)
Portfolio management	-	(40,622)
Rent collection, property repairs and maintenance charges	(27,769)	(48,677)
Douai Magazine	(2,855)	(2,661)
Other costs of raising funds	(6,232)	-
Closing stock and work in progress	9,235	7,137
Sundry expenses	-	(1)
	<u>(34,758)</u>	<u>(101,275)</u>
Charitable Activities:		
Support of members of the community and their ministry		
Living and Personal	(199,583)	(305,241)

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**THE COMMUNITY OF ST EDMUND OF THE ENGLISH CONGREGATION OF THE ORDER OF ST
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Detailed Statement of Financial Activities (continued)
For The Year Ended 31 August 2025

Wages and salaries	(269,334)	(225,590)
Staff expenses	(4,119)	(5,753)
Other premises costs	(257,374)	(241,343)
Bank charges	(3,940)	(3,192)
Charitable donations	(7,057)	(6,306)
Sundry expenses	(22,348)	(10,474)
Pastoral	(144,866)	(72,161)
Depreciation	(194,921)	(197,168)
Audit fees	(6,268)	(8,000)
Legal fees	(12,777)	(3,859)
Professional fees	(27,963)	(35,205)
Consultancy fees	(12,310)	(3,304)
	<u>(1,162,860)</u>	<u>(1,117,596)</u>
	<u>(1,197,618)</u>	<u>(1,218,871)</u>
NET EXPENDITURE BEFORE INVESTMENT LOSSES	(325,173)	(650,326)
Net gains on investments		
Deficit on disposal of listed fixed asset investments	(293)	-
Surplus on revaluation of investments	75,047	138,431
	<u>74,754</u>	<u>138,431</u>
NET EXPENDITURE	<u>(250,419)</u>	<u>(511,895)</u>

Accounts



Douai Abbey Trust

Annual Report and Accounts

31 August 2024

Charity Registration Number
236962

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Reference and administrative information

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V. Rev. G Wilson OSB
Rev. T O Holt OSB
Rev. G F Hughes OSB
Rev. A H Somerville Knapman OSB

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The trustees present their statutory report together with the accounts of Douai Abbey Trust ('the charity') for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 25 to 30 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of St Edmund of the English Congregation of the Order of St Benedict ('the Community'), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational, pastoral, and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as 'The Trustees of Douai Abbey' by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- Caring for members of the Community including those who are older and/or frail;
- The provision of education in the broadest sense, and the education of new members of the Community training for the monastic life;
- The provision of social and pastoral work, particularly in the field of hospitality; and
- Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under 'Mission' the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into several

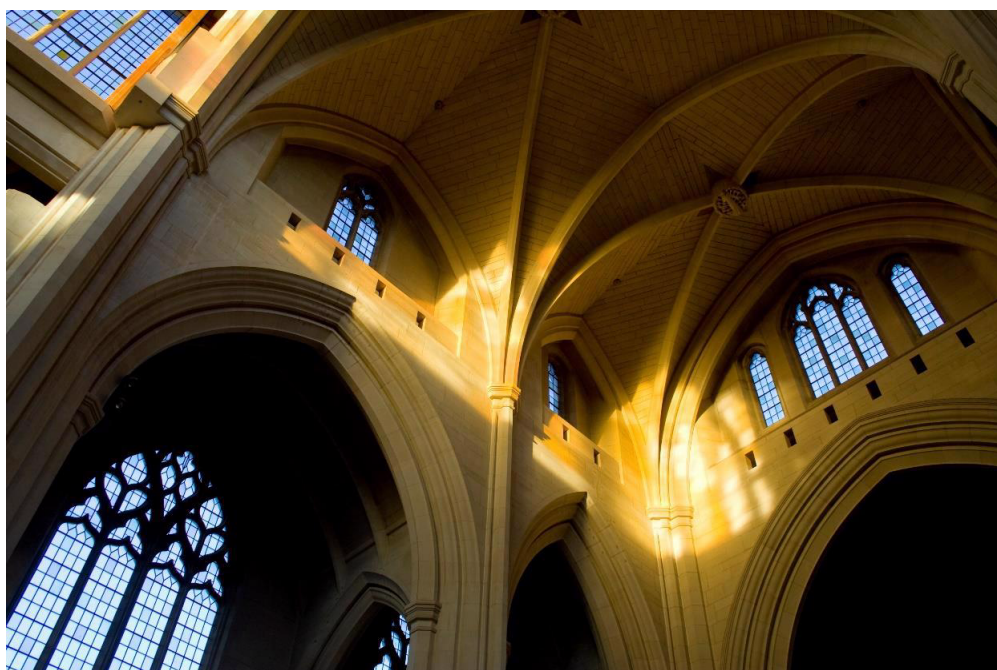
Activities, specific objectives and relevant policies (continued)***Activities and specific objectives (continued)***

principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

- **Formal Divine Service and other services in the Abbey Church**

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The masses on Sunday and on feast days are well attended by parishioners and by others from further afield. At other times, the Church is open and visitors may come and pray by themselves. The church is also used by the diocese and by other churches in the area who do not have enough space for large celebrations.



The Abbey Church is a listed building (Grade 2*) and some people come to appreciate the architecture; guide books and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

In addition, regular concerts in the Abbey Church are organised by the monastic community and by outside organisations and enhance the cultural opportunities of the locality.

It is made clear to those who attend such concerts that the Abbey Church is a sacred space. This highlights the aims of the charity, even if visitors' primary reason for attending is to listen to the music. The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and

Activities, specific objectives and relevant policies (continued)***Activities and specific objectives (continued)***

formal gatherings to mark the end of the school year. Most of these events are made possible without a prescribed charge to the outside organisations.

- **Caring for members of the Community including those who are older and/or frail**

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, have been covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, consequently, they will assess how it affects the ministries of the individual members of the Community. They are aware of the financial implications for the charity's resources.

- **The provision of education**

The Community's work in the field of education is broad and includes the education of new members of the Community training for monastic life and Church ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the pastoral programme of talks, and by offering retreats and courses for spiritual and theological renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which is another strand in the Community's educational outreach.

- **The provision of hospitality and pastoral work**

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees regularly review the suggested charges. The trustees consider that this is a clear and significant means by which the charity can discharge its duty of public benefit. While most of our guests are Roman Catholic, increasing numbers from other Christian denominations and other religions are also welcomed.

Activities, specific objectives and relevant policies (continued)***The provision of hospitality and pastoral work (continued)***

- **Further provision of hospitality and pastoral work**

Members of the Community continue to maintain and develop pastoral work in the parishes that are the responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parishes Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which do not belong to the Community.

- **Members of the Community working elsewhere**

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches, as well as supervising the formation of those students in training for the priesthood. He also serves the English Benedictine Congregation as its representative in Rome. The Abbot continues to work as Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

- **Donations to other organisations**

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

- **Protection of Children and Vulnerable Adults**

Like all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are fully committed to implementing all policies and procedures of the Religious Life Safeguarding Service (RLSS). The Safeguarding Lead for the charity appointed in the previous year continues to work for the community. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level; she and the Abbot form the community's Child Protection Committee under the RLSS, which oversees safeguarding for virtually all the religious congregations in England and Wales. Safeguarding appears as an agenda item on every trustee meeting and the Safeguarding Lead attends at least one meeting of the trust during the year. In July 2023 the community volunteered to undergo a pilot audit by the Catholic Safeguarding Standards Agency (CSSA). As a result, in the autumn of 2023, the community was granted 'Comprehensive Assurance' for its safeguarding policies and procedures. In October 2023 the entire community undertook intensive safeguarding training. Follow up training took place after the year end and will be an annual event.

Activities, specific objectives and relevant policies (continued)**Investment policy**

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2024 of £4,606,057 (2023 – £4,976,793)

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile, and the investment manager's view of the market prospects in the medium term. The trustees have agreed a detailed investment policy, including ethical guidelines, with the investment managers, Ruffer LLP, which informs their choice of securities for investment. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as such activities can be practically established. With the help of our investment managers, the overall investment policy is to preserve capital and to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees. For many years the trustees have appointed financial advisers who attend trustees' meetings three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisers can be found on page 1.

The charity also has several properties which are used to generate rental income and which are classified in the accounts as investment properties.

Achievements and performance***Review of activities***

- **Formal Divine Service and other services in the Abbey Church**

By its very nature the regular round of Divine Services in a monastery do not vary much from year to year. The pandemic gave rise to many restrictions on the ability of lay people and guests to participate, but levels of attendance have recovered. Cameras and an enhanced sound system were installed in 2022 to enable live-streaming, and this has continued to be used for special occasions for the public, particularly for funerals and weddings.

- **Caring for older and frail members of the community**

One member of the community lived in the community infirmary, assisted by a monk infirmarian and outside medical professionals to address specific chronic health needs. Another member of the community was in a care home where his particular needs could better be met and where he was regularly visited by members of the community. Both these members passed away late in the reporting year. At present there is no member of the community requiring specialised care.

Achievements and performance (continued)**Review of activities** (continued)

- **Our buildings and our environment**

In July 2024 renovations were begun on an area of the monastery that had fallen out of regular use and into some disrepair to provide an office and facilities for the new monastic procurator. Otherwise, no major projects were undertaken, and work consisted of maintenance and repairs.

Our two churches on site (the Abbey Church and the Parish Church) have been subject to quinquennial inspections over many years in accordance with best practice and during the year the architect responsible made a similar inspection of all our buildings on site.

- **The provision of education**

A novice monk who began his studies in August 2023 continued his initial formation and made a simple profession of vows shortly after the year end, in October 2024. A junior monk, who is pursuing theological studies in Oxford, made his solemn profession in June 2024 and is now a permanent member of the community. The community hosted the novices of the English Benedictine Congregation for part of their shared formation programme.

The trustees consider the monastery's archive and library to be part of its service to education, and both are open to researchers and students. An archivist is employed to catalogue the archive and to assist researchers where necessary. The Community holds the archives of several other religious congregations and monasteries.

The community produces a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School, and friends and supporters. The most recent edition included, among other things, the definitive biography of a monk of our community who was a missionary in colonial Australia, as well as pieces by two monks looking back on the liturgical life of the community in the 1950s.

The community's publishing imprint, Weldon Press, which is staffed by a member of the community, was preparing to publish in late 2024 the first biography of the eminent English Benedictine, Bishop Christopher Butler. Publishing works of scholarship is also seen as part of the community's wider involvement in education.

- **The provision of hospitality and pastoral work**

The Guest House has been open throughout the year and demand for retreats and other stays has been strong. We have seen steadily increasing demand for the Guest House and income from the Guest House and related income totalled £149,472 (2023 – £140,299).

Achievements and performance (continued)

Review of activities (continued)

Our monks have continued to serve in the community's own parishes in the Midlands and in Lancashire, as well as assisting the wider Church by serving parishes in West Wales and Hampshire.



Investment performance

During the year to 31 August 2024, the charity's listed investments produced an income yield of 0.5% (2023 — 1.20%). The charity's listed investments rose in value during the year, giving rise to a net investment gain of £138,431 (2023 – loss of £310,584) on the portfolio.

Investment properties produced rental income of £109,236 (2023 – £120,500) during the year.

Financial report for the year

Results for the year

A summary of the results for the year can be found on page 22 of the attached accounts.

Financial report for the year (continued)**Results for the year** (continued)

Total income for the year amounted to £568,545 compared to £597,883 in the previous year. Donations and legacies amounted to £250,475 compared to £221,719 in 2023. The total figures include donations of £23,079 (2023 – £21,057) being monies restricted in their use and mainly raised towards the future costs of maintaining the library and archives. Income from charitable activities, i.e. retreat house income and related receipts increased to £168,456 (2023 – £162,932) income from visitors and other trading activities dropped to £3,245 (2023 – £10,149). Income from listed and property investments, together with interest receivable, amounted to £134,369 (2023 – £191,083).

Expenditure amounted to £1,218,871 compared to £1,078,534 in 2023. The cost of raising funds increased to £101,274 (2023 – £77,819), the costs in relation to supporting the community and their ministry rose to £1,117,598 (2023 – £1,000,715). The increase is due to increases in the cost of premises and pastoral activities.

The net expenditure for the year before investment gains and foreign exchange gains was £650,326 (2023 – £480,651). The net investment gains totalled £138,431 (2023 – loss of £310,584) in respect to listed investments and investment properties. Forward foreign exchange gains/losses totalled zero (2023 – gains of £65,852). When these net losses/gains are accounted for, the overall impact on the charity's funds is a decrease of £511,895 for the year (2023 – decrease of £725,383).

Reserves policy and financial position*Reserves policy*

As explained above, the charity carries out a diverse range of activities, some of which comprise short term and externally funded projects whilst others comprise long term projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to a minimum of 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate sufficient returns to fund recurring expenditure. The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds £14,738,796 (2023 – £15,250,691).

These funds include an amount of £160,695 (2023 – £161,949) which is restricted. These monies have either been raised for and their use restricted to specific purposes, or they comprise donations subject to donor-imposed conditions. Full details of these

Financial report for the year (continued)**Reserves policy and financial position** (continued)*Financial position (continued)*

restricted funds can be found in note 17 to the accounts together with an analysis of movements in the year.

The tangible fixed assets fund equal to the net book value of the tangible fixed assets and amounting to £6,018,706 (2023 – £6,205,010) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Funds totalling £5,150,000 (2023 – £5,150,000) have been designated, or set aside, by the trustees for specific purposes as follows:

- An amount of £4,150,000 (2023 – £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- £1,000,000 (2023 – £1,000,000) has been designated for the cost of future improvements to, and maintenance of, the charity's freehold properties.

Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 18 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2024 total £3,409,395 (2023 – £3,733,732).

The trustees consider that this level of free reserves is appropriate despite it being slightly less than the amount set out in the charity's reserves policy above. The Trustees note the increased expenditure owing to general inflationary pressures, exceptional costs and regulatory compliance that gives rise to concern that reserves may be insufficient to meet the current policy of 36 months of expenditure. The Trustees have reviewed the policy, continue to believe the policy remains valid and sufficient reserves should be maintained to meet 36 months of expenditure. They also accept that in the years ahead, members of the Community are likely to require increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2023 – £4,150,000) described above may prove to be inadequate. The recent cost of nursing home care for a member of the community who died during the year has brought this prospect into sharp relief. The Trustees are working with their advisors and the new bursar to look at ways to redress the current deficit, reducing expenditure and increasing income, together with looking at ways to increase the reserves to correct this potential imbalance.

Financial report for the year (continued)***Raising funds***

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells such data, nor swaps it, and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Future plans

The trustees intend to continue to follow up the recommendations of independent consultant Steven Little's financial report which was presented to them in October 2022. The recommended charges for the Guest House are under review, and they are still consulting with specialists in reviewing the range of activities related to the charity on which VAT relief might be sought. The Society of St Edmund at Douai Abbey (SSEDA), a fundraising vehicle launched in late 2023, is consolidating its role in securing long-time giving and engaging donors more closely in the life and identity of the Community.

In early August Mr Gordon Heslop took up the new position of lay Bursar, replacing a role hitherto filled by members of the monastic Community. This imposes an extra cost on the Community but at the same time brings more professionalism and expertise to the increasingly complex and challenging role of financial and operations management. Those matters more related to the internal life of the Community have been devolved upon a new position, Procurator, which has been filled by Fr Hugh Somerville Knapman, for which purpose he was called back to the monastery from his posting as a parish priest. The Procurator supports and advises the Bursar in his work, as well as safeguarding and promoting the material interests of the Community in pursuing its religious life and vocation.

Part of the new Bursar's contribution will be to offer a realistic assessment of the Community's financial position beyond the short term, and to help the Community adapt to emerging fiscal, regulatory, and demographic realities. Part of this will be facilitating the charity's transition from a charitable trust to a charitable incorporated organisation (CIO) by 31 August 2026, a process now underway.

Governance, Structure and Management***Governance***

Douai Abbey is an autonomous monastery of the English Benedictine Congregation, within the Roman Catholic Church. The conduct and administration of the monastery is subject to the Constitutions of the English Benedictine Congregation and to the precepts of the Code of Canon Law of the Roman Catholic Church.

Financial report for the year (continued)**Governance** (continued)

In terms of civil law the charity is governed by a trust deed dated 22 September 1934 and is a registered charity, Charity Registration No. 236962. The trustees of the charity are the Abbot and the members of his Council. The membership of the Abbot's Council is renewed each year, with some members appointed by the Abbot himself from members of the Community, and the others elected by the members of the Community.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly ever quarter or so, the charity's trustees are involved daily in the work of the charity, live mostly within the Abbey itself or on its parishes, and meet and interact on a frequent basis. As members of the monastic Community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members. The trustees seek advice from professional advisors where necessary on legal, accounting, property, and other matters. In addition, a voluntary group of professionals of varied financial and business experience advises the trustees on investment policy and strategic development. The new Bursar has significant financial and management experience, both in the City and in trust management. The Abbot is also involved in other trusts and attends meetings with other religious superiors during the year. The other trustees are encouraged to attend relevant and appropriate courses and conferences to enable them to keep up to date regarding their responsibilities and with developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details on page 1 of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2024 are given below:

Rt. Rev. P Gunter OSB

Abbot of Douai and chairman of the trustees since May 2022. Previously he had been Parish Priest of Alcester since 2016 and continues as Secretary of the Department of Christian Life and Worship of the Catholic Bishop's Conference of England and Wales since 2012. He was a Consultor to the Office of the Liturgical Celebrations of the Supreme Pontiff, 2008–2013; Visiting Professor, Pontifical Athenaeum *Regina Apostolorum*, Rome 2008–2015; Professor at the Pontifical Liturgical Institute, Rome 2006–2016. Further Studies, Rome 2002–2006. Parish Priest, Studley 1999–2002 and Trustee of Douai Abbey Parishes Trust. Member, Council of Priests, Diocese of Clifton 1995–1999; assistant priest, school chaplain, hospital chaplain, Cheltenham 1992–1999.

Very Rev. Gabriel Wilson OSB

Before joining the Douai community in 2008 he was a Teacher of English, Head of Department and Advanced Skills Secondary School Teacher for 17 years. He is currently Prior and Novice Master. Previously he has directed the Community's Pastoral Programme, led retreats, coordinated the Community's Alongsider Programme for those exploring monastic life, and been Parish Priest of St Mary's, Woolhampton. He looks after the Douai Abbey apiary, advocating locally adapted bees and treatment-free beekeeping.

Financial report for the year (continued)**Governance** (continued)*Rev. Francis Hughes OSB*

He has served in several of Douai's current and former parishes including St Osburg's in Coventry, as well as Pangbourne, Theale, St Anne's in Ormskirk, St Elizabeth's in Scarisbrick, and currently St Benet's in Kemerton. A graduate of University College, Galway in chemistry and mathematics, he read theology at Oxford and has a MA in canon law from the University of London. He completed courses in counselling at the Richmond Fellowship and Manchester University and in Deaf Studies with the Open University. He has worked with the deaf community as chaplain and pastoral worker, and has been a governor for St Mary's School, Scarisbrick and St Gregory's School, Cheltenham. He has been Prior and Junior Master at Douai Abbey and is currently a member of the Clifton Marriage Tribunal.

Rev. T J Oliver Holt OSB

After taking a degree in English from Oxford, he was for many years a teacher of the subject in Douai School from 1977–1999, and housemaster there 1982–1999, later Bursar of Douai Abbey 2005–2024, trustee at various times since 1997, trustee of Priors Court School 2005–2014, trustee of the Lejeune Clinic for children with Down's Syndrome 2006–2016, trustee of Friends of the Newbury Spring Festival 2008–2018, and trustee of Downside Abbey 2016–2019. In Autumn 2024 he took up the role of Parish Priest at the Douai parish of Stratford-upon-Avon.

Rev. A Hugh Somerville Knapman OSB

Joining the monastery in early 2001, he was ordained a priest in April 2007 after theological studies in Oxford, with studies in Rome after ordination. His 2017 MPhil theological dissertation at the University of Bristol was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney, and worked in education and later in a civilian role as radio communications officer for the New South Wales Police in Sydney (Australia), of which city he is a native. In August 2024 he returned to the monastery from a parish posting to take up the new role of Procurator. He undertakes various publishing projects for the Community under its imprint, Weldon Press, edits the Community's annual *The Douai Magazine*, and manages the Community's website.

The Douai Abbey trustees have several financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings. The trustees are seeking additional advisors with areas of expertise currently under-represented in the trust.

Margaret Chin-Wolf is an ICF Certified coach, a Meyler Campbell trained business and leadership coach, and holds the FT Non-Executive Director Diploma. An economist and barrister by training, she was also a portfolio manager, and an investment analyst and strategist for 32 years. She was governor of the University of Winchester 2014–2021 and of the Pilgrims' School, Winchester 2012–2022. After many years of generous and valuable service she retired as an advisor to the trust in the summer of 2024.

Financial report for the year (continued)**Governance** (continued)

Dr Ralph Townsend was Headmaster of Winchester College 2005– 2016. He was President of Keio Academy of New York and Special Adviser to the President of Keio University 2017–2021, and Chairman of The Prep Schools Trust 2017–2022. He has been Director of an educational consultancy, Winton Consult Limited, since 2017, advising on school governance, management, and curriculum in Europe and the USA.

Graham Hutton worked in financial services for the whole of his career until retiring in 2020. He was a director of the merchant bank, Morgan Grenfell 1988–1998, and Chief Executive of Morgan Grenfell Private Equity 1998–2001. He then co-founded the private equity firm, Hutton Collins, of which he was one of two senior partners until his retirement. He is a Knight of Magistral Grace in the Order of Malta, and Deputy Chairman and Chairman of the Finance Committee of the Orders of St John Care Trust. He is a board member of the International Theological Institute in Trumau, Austria and was Chairman of Aid to the Church in Need, UK, 2013–2022.

Kate Burke is the Community's Safeguarding Lead. She was a social worker for 42 years. She has undertaken advanced training in Child Protection (Safeguarding). She delivered training for many years until 2014 at the Thames Valley Police College, Sulhamstead to Police and Social Services. She served for 15 years on the Portsmouth Diocesan Safeguarding Commission, until 2019. Kate currently works with the dioceses of Southwark, Westminster, and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Standards Agency. She has pursued studies on the theology of safeguarding.

Trustees' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

Financial report for the year (continued)***Trustees' responsibilities statement*** (continued)

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of any financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management

The trustees consider that they, together with the Bursar, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

The trustees are all members of the Community, and while their living and personal expenses are borne by the charity, they receive no remuneration or reimbursement of expenses in connection with their duties as trustees. The Bursar is an employee of the charity and serves as clerk of trustees as part of his duties as Bursar.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments regarding the charity or its activities and to make any important decisions.

As stated above, when necessary, the trustees seek advice and support from the charity's professional and voluntary advisers, e.g. property consultants, investment managers, solicitors, and accountants. For some matters the constitutions of the

Financial report for the year (continued)***Trustees' responsibilities statement*** (continued)

English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

Working with other organisations

The Community is responsible for the administration of seven Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity, the Douai Abbey Parishes Trust (Registered Charity No. 1063237). Currently four of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parishes Trust. Details of transactions between the two charities are given in the notes to the accounts.

Risk management

The trustees have assessed the major risks to which the charity is exposed, particularly those relating to the specific operational areas of the charity, its investments and its finances, and have done so having regard to the effects of the unprecedented Covid-19 pandemic. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key personnel, disaster recovery, and reputational risk.

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

- *Loss of key management (Abbot, Bursar et al)*

The trustees are aware that they are very dependent on several key people, and that the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the administrative burden of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Community is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties. The Community has not so far needed to avail itself of such support.

- *Failure to recruit and retain new members*

The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.

Financial report for the year (continued)***Risk management*** (continued)

- *Dependence on returns from investments rather than from operations*

The charity relies largely on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, considering current and future political and economic uncertainties. As explained in 'Reserves Policy' on page 9, the charity's reserves policy reflects the need to hold investments to generate investment returns to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees have maintained a regular dialogue with the charity's investment managers, Ruffer LLP.

- *Safeguarding and other reputational issues*

These are addressed under relevant policies on page 5.

Employees, volunteers, and members of the Community

The trustees wish to record their recognition of the professionalism and commitment of all their staff, volunteers, and individual members of the Community. Their contribution to the life and work of the charity is greatly valued and appreciated.

Approved by the trustees and signed on their behalf by:

Trustee:



Approved by the trustees on: 20 May 2025

Opinion

We have audited the accounts of Douai Abbey Trust (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

In preparing the accounts, the trustees are responsible for assessing the 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

How the audit was considered capable of detecting irregularities including fraud

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

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

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

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

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

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

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

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

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

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

We did not identify any irregularities, including fraud.

On the website of the Financial Reporting Council (FRC) further description of our responsibilities for the audit of the financial statements can be found: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Caldwell Penn

10 June 2025

Caldwell Penn, Statutory Auditor
7a Abbey Business Park
Monks Walk
Farnham
GU9 8HT

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

Statement of financial activities

Year to 31 August 2024

	Notes	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total £	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £
Income from:							
Donations and legacies	1	227,396	23,079	250,475	200,662	21,057	221,719
Charitable activities	2	168,456	–	168,456	162,932	–	162,932
Other trading activities	3	3,245	–	3,245	10,149	–	10,149
Investments and interest receivable	4	134,369	–	134,369	191,083	–	191,083
Other sources			–			–	
–Miscellaneous income		12,000		12,000	12,000		12,000
Total income		545,466	23,079	568,545	576,826	21,057	597,883
Expenditure on:							
Raising funds	5	101,275	–	101,275	77,819	–	77,819
Charitable activities							
–Support of members of the Community and their Ministry	6	1,093,263	24,333	1,117,596	985,615	15,100	1,000,715
Total expenditure		1,194,538	24,333	1,218,871	1,063,434	15,100	1,078,534
Net (expenditure) income before gains (losses) on foreign exchange and investments	9	(649,072)	(1,254)	(650,326)	(486,608)	5,957	(480,651)
Other recognised gains and losses							
Gains on the revaluation of investment properties	14	–	–	–	–	–	–
Forward exchange gains (losses)	14	–	–	–	65,852	–	65,852
(Losses) gains on the revaluation and disposal of listed investments	14	138,431	–	138,431	(310,584)	–	(310,584)
Net (expenditure) income and net movement in Funds		(510,641)	(1,254)	(511,895)	(731,349)	5,957	(725,383)
Reconciliation of funds							
Fund balances brought forward at 1 September 2023		15,088,742	161,949	15,250,691	15,820,082	155,992	15,976,074
Fund balances carried forward at 31 August 2024		14,578,101	160,695	14,738,796	15,088,742	161,949	15,250,691

All the charity's activities derived from continuing operations during the above two financial periods.

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

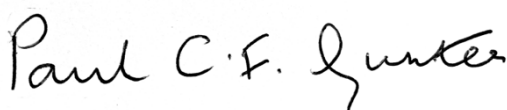
Balance Sheet

Year to 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS					
Tangible assets	13		6,018,706		6,205,010
Investments	14		8,546,057		8,921,457
			14,564,763		15,126,467
CURRENT ASSETS					
Stocks		7,137		16,451	
Debtors	15	100,671		101,368	
Cash in bank and in hand		184,437		57,077	
		292,245		174,896	
CREDITORS					
Amounts falling due within one Period	16	(118,212)		(50,672)	
NET CURRENT ASSETS			174,033		124,224
TOTAL ASSETS LESS CURRENT LIABILITIES			14,738,796		15,250,691
NET ASSETS			14,738,796		15,250,691
FUNDS					
Restricted funds	17		160,695		161,949
Unrestricted funds					
- General fund			3,409,395		3,733,732
- Designated funds			5,150,000		5,105,000
- Tangible Fixed Asset fund			6,018,706		6,205,010
TOTAL FUNDS			14,738,796		15,250,691

Approved by the trustees and signed on their behalf by

Trustee:



Approved on: 20 May 2025

Statement of cash flows

Year to 31 August 2024

Year	Notes	2024	2023
Cash flows from operating activities			
Net cash used in operating activities	A	(495,470)	(405,063)
Investment income including rent received		134,369	192,610
Purchase of tangible fixed assets		(11,540)	(34,615)
Proceeds from the disposal of listed investments		6,945,299	3,586,208
Net proceeds from settlement of foreign exchange contracts		–	53,809
Purchase of listed investments		(7,120,146)	(3,889,964)
Net cash provided by (used in) investing activities		443,450	(91,952)
Change in cash and cash equivalents in the year		(51,988)	(497,015)
		236,457	733,472
Cash and cash equivalents at 1 September			
	B	184,469	236,457
Cash and cash equivalents at 31 August			

Notes to the statement of cash flows for the year to 31 August 2024.
A Reconciliation of net movement in funds to net cash used in operating activities

	2024	2023
	£	£
Net movement in funds (per the statement of financial activities)	(511,895)	(725,383)
Depreciation charge	197,168	196,966
Purchase of fixed assets	11,540	
Net losses (gains) on foreign exchange contracts and investments	(138,431)	244,732
Investment income including rent receivable	(134,369)	(191,083)
Decrease in stocks	9,314	358
Decrease (increase) in debtors	697	58,344
Increase (decrease) in creditors	70,507	11,003
Net cash used in operating activities	(495,470)	(405,063)

B Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash at bank and in hand	184,437	57,077
Cash held by investment managers	32	179,380
Total cash and cash equivalents	184,469	236,457

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

Principal accounting policies

31 August 2024

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2024 with comparative information provided in respect to the year to 31 August 2023.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- assessing the probability of the receipt of legacy income and estimating the amount to be received;
- estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- estimating the fair value of investment properties;
- determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Principal accounting policies (continued)

31 August 2024

Assessment of going concern (continued)

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income.

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

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

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

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

Principal accounting policies (continued)

31 August 2024

Income recognition (continued)

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

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

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

- a. Functional freehold property

Principal accounting policies (continued)

31 August 2024

Tangible Fixed Assets (continued)

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis.

Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

b. Other tangible fixed assets

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Plant, furniture and equipment – 5% to 20% per annum based on cost
- Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Fixed asset investments

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

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally on 27 February 2023 for the year ended 31 August 2022 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation—Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

Principal accounting policies (continued)

31 August 2024

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Stock

Stock is comprised of books, cards and other similar items held for sale in a small shop for visitors to the Abbey. Stock items are valued at the lower of cost or realisable value where this is deemed to be lower than original cost'

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

Foreign currencies

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

Services provided by members of the Community

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

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Income from: Donations and legacies

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Donations	19,056	23,078	42,134	11,115	21,057	32,172
Legacies	(17,932)	–	(17,932)	14,128	–	14,128
Collections & offertory	37,971	–	37,971	52,211	–	52,211
Amount receivable from parishes administered by Douai Abbey	111,945	–	111,945	51,950	–	51,950
Pensions and other income of individual religious received under deed of covenant	76,356	–	76,356	71,258	–	71,258
Total funds	227,396	23,078	250,474	200,662	21,057	221,719

2 Income from: Charitable activities

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Sales of religious books and Artefacts	6,745	–	6,745	10,404	–	10,404
Retreat house & related income	149,472	–	149,472	140,299	–	140,299
Other	12,239	–	12,239	12,229	–	12,229
Total funds	168,456	–	168,456	162,932	–	162,932

3 Income from: Other trading activities

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Visitors for non-religious purposes	3,245	–	3,245	6,746	–	6,746
Other	–	–	–	3,403	–	3,403
Total funds	3,245	–	3,245	10,149	–	10,149

4 Income from: Investments and interest receivable

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income from listed investments & National Savings Bonds	21,908	–	21,908	53,308	–	53,308
Income from investment property - Rental income	109,236	–	109,236	120,500	–	120,500
Interest receivable	816	–	816	5,547	–	5,547
Exchange gains on investments	2,409	–	2,409	11,728	–	11,728
Total funds	134,369	–	134,369	191,083	–	191,083

5 Expenditure on: Raising funds

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Investment property expenses	57,992	–	57,992	15,608	–	15,608
Investment manager's fees	40,622	–	40,622	59,226	–	59,226
Other	2,661	–	2,661	2,985	–	2,985
Total funds	101,275	–	101,275	77,819	–	77,819

6 Expenditure on: Support of members of the Community and their ministry

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Staff costs (excl. pastoral activities)	225,590	–	225,590	205,836	–	205,836
Depreciation	197,168	–	197,168	196,966	–	196,966
Living and personal costs	305,241	–	305,241	229,412	445	229,857
Premises	207,725	24,303	232,028	233,140	–	233,140
Pastoral activities (incl. staff costs)	77,884	30	77,914	79,782	14,655	94,437
Governance (note 7)	50,368	–	50,369	23,575	–	23,575
Donations (note 8)	6,305	–	6,305	634	–	634
Other	22,982	–	22,982	16,270	–	16,270
Total funds	1,093,263	24,333	1,117,596	985,615	15,100	1,000,715

7 Governance

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Professional fees	40,509	–	38,509	9,086	–	9,086
Legal fees	3,859	–	3,859	1,349	–	1,349
Auditor's remuneration	6,000	–	6,000	13,140	–	13,140
Total funds	50,368	–	50,368	23,575	–	23,575

8 Donations

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Mary's Meals	1,000	–	1,000	–	–	–
Cardinal Hume Centre	1,000	–	1,000	–	–	–
Providence Row	1,000	–	1,000	–	–	–
CAFOD	1,000	–	1,000	–	–	–
Marriage Care	1,000	–	1,000	–	–	–
Donations less than £1,000	1,305	–	1,305	634	–	634
TOTAL	6,305	–	6,305	634	–	634

9 Net (expenditure) income before (losses) gains on foreign exchange and investments

This is stated after charging:

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Staff costs (note 10)	294,922	–	294,922	249,857	–	249,857
Auditor's remuneration - Statutory audit services	6,000	–	6,000	13,140	–	13,140
Depreciation	197,168	–	197,168	196,966	–	196,966

10 Employees and staff costs

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	264,387	233,815
Social security costs	21,180	17,572
Other pension costs	9,356	8,470
Total	<u>294,922</u>	<u>249,857</u>

No employee earned in excess of £60,000 per annum (including taxable benefits) or more during the year (2023 – none).

The average number of employees during the period was 15 (2023 – 15).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the Bursar. The Bursar received £3,083 salary (2023 – none).

The trustees received no remuneration or reimbursement of expenses in connection with their duties during the year (2023 – £nil).

11 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. None of the trustees has received any remuneration or reimbursement of expenses in connection with their duties as trustees (2023 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £8,648 (2023 – £12,766).

12 Taxation

Douai Abbey Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities or tax on capital gains, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Freehold land & buildings	Plant, furniture & equipment	Motor vehicles	Total
	£	£	£	£
Cost at 1 September 2023	9,347,196	308,721	36,864	9,692,781
Additions	–	–	11,540	11,540
Disposals			(11,454)	(11,454)
Cost at 31 August 2024	9,347,196	308,721	36,950	9,692,867
Depreciation at 1 September 2023	3,261,391	204,080	22,300	3,487,771
Charge for year	171,432	17,832	7,904	197,168
Disposals	–	–	(10,778)	(10,778)
Depreciation at 31 August 2024	3,432,823	221,912	19,426	3,674,161
Net book value at 31 August 2024	5,914,373	86,809	17,524	6,018,706
Net book value at 1 September 2023	6,085,805	104,641	14,564	6,205,010

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

It is likely that there are material differences between the open market values of the charity's freehold land and buildings and their book values. These arise from the specialised nature of some of the properties and the effects of inflation.

14 Fixed asset investments

At 31 August 2024 fixed asset investments comprised:

	2024	2023
Freehold investment property (see a below)	3,940,000	3,940,000
Listed investments and cash held for re-investment (see b below)	4,606,057	4,976,793
Foreign exchange contracts (see c below)	–	4,664
Total	8,546,057	8,921,457

Movements on each category of investment are summarised below.

14 Fixed asset investments (continued)

a. Freehold investment property

	2024	2023
Fair (market) value at 1 September	3,940,000	3,940,000
Revaluation gains in the year	—	—
Total	<u>3,940,000</u>	<u>3,940,000</u>

The charity's freehold investment properties are included at fair value based on open market value. They were re-valued formally on 27 February 2023 for the year ended 31 August 2022. The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS

Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation—Professional Standards 2020 incorporating the IVSC International Valuations Standards (the 'Red Book').

The Trustees do not consider there to be a material difference in the open market value between the valuation date and the current date.

b. Listed investments and cash held for re-investment

Listed investments	2024 £	2023 £
Fair (market) value at 1 September 2023	4,976,413	4,804,241
Additions at cost	7,120,148	3,889,964
Disposals	(7,447,796)	(3,475,687)
Disposals (realized gain)	—	—
Net unrealised investment (losses) gains	(42,740)	(421,105)
Fair (market) value at 31 August 2024	4,606,025	4,797,413
Cash held by investment managers for re-investment	32	179,380
	<u>4,606,057</u>	<u>4,976,793</u>

All listed investments were dealt in on recognised stock exchanges.

14 Fixed asset investments (continued)

At 31 August 2024, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date marked.

	Value 2024 £	Percentage 2024 £
Charity Assets Trust C Inc	4,605,758	100%

	Market value 2023 £	Percentage 2023 %
Ruffer Illiquid Multi Strategies Fund 2015 Ltd	330,556	6.9
UK (Govt of) 0.125% 31/01/2024	363,359	7.6
UK (Govt of) 0.25% 31/01/2025	479,393	10.0
Ruffer SICAV Fixed Income Z GBP Cap	1,452,977	30.3
Ruffer Protection Strategies International z GBP	334,251	7.0
Wisdom Tree Brent Crude Oil ETC	322,539	6.7

c. Gains (losses) on foreign exchange contracts for the year ended 31 August 2024 consisted of the following:

	2024 £	2023 £
Foreign exchange contracts		
Fair value gains on unsettled contracts brought forward	4,664	2,777
Fair value gains (losses) on settlement	(4,664)	58,411
Fair value gains (losses) on unsettled contracts carried forward	-	4,664
Total gains (losses) on foreign exchange contracts	-	65,852

15 Debtors

	2024	2023
	£	£
Investment income and interest receivable	–	475
Gift Aid recoverable	–	12,495
Legacies receivable	–	44,500
Prepayments	65,806	–
Other debtors and accrued income	14,865	23,898
Loan to Douai Abbey Parishes Trust (see below)	20,000	20,000
	100,671	101,368

On 13 February 2020, the trustees signed a loan agreement with Douai Abbey Parishes Trust (see note 21) to loan funds to one of the parishes accounted for within the Douai Abbey Parishes Trust to be applied towards the refurbishment of a parish hall. The maximum amount to be advanced by the charity was £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall, however repayments have not yet started. Repayments will be due annually and amount to £4,000. per annum. The hall is now in use.

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Expense creditors and accruals	104,001	47,334
Credit card	10,019	–
VAT payable	4,192	3,338
Total	118,212	50,672

17 Restricted funds

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

Fund	At 31 August 2023 £	Income £	Expenditure £	Transfers £	At 1 September 2024 £
Library Archives Fund	154,356	20,125	(24,333)	–	150,148
Restricted retirement Fund	2,544	2,585	–	–	5,129
Student Fund	4,103	369	–	–	4,472
Other restricted funds	946	–	–	–	946
Total	161,949	23,079	(24,333)	–	160,695

The specific purposes for which the funds are to be applied are as follows:

- ***Library Archives Fund***

This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.

- ***Restricted retirement Fund***

This fund is made up of donations made to the Abbey towards the cost of retirement of members, including medical and care costs.

- ***Student Fund***

This fund represents monies received to help fund the studies of a student in India.

- ***Other restricted funds***

This fund represents monies received for one-off specific purposes.

18 Designated funds

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

	At 1 st September 2023 £	New designations £	Utilised/ Released £	At 31 st August 2024 £
Retirement reserves	4,150,000	-	-	4,150,000
Development fund	1,000,000	-	-	1,000,000
	5,150,000	-	-	5,150,000

	At 1 st September 2022 £	New designations £	Utilised/ Released £	At 31 st August 2023 £
Retirement reserves	4,150,000	-	-	4,150,000
Development fund	1,000,000	-	-	1,000,000
	5,150,000	-	-	5,150,000

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement.

The development fund comprises money set aside for future projects.

19 Tangible fixed assets fund

	£
1 September 2023	6,205,010
Movement in year	(186,304)
31 August 2024	<u>6,018,706</u>
	£
1 September 2022	6,367,361
Movement in year	(162,351)
31 August 2023	<u>6,205,010</u>

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

20 Analysis of net assets between funds

Fund balances at 31 August 2024 were represented by:

	General Fund £	Designated Fund £	Tangible fixed assets fund £	Restricted Fund £	Total Funds £
Tangible fixed assets		—	6,018,706	—	6,018,706
Investments	3,235,362	5,150,000	—	160,695	8,546,057
Net current (liabilities) assets	174,033	—	—	—	174,033
Total	3,409,395	5,150,000	6,018,706	160,695	14,738,796

Prior Year

	General Fund £	Designated Fund £	Tangible fixed assets fund £	Restricted Fund £	Total Funds £
Tangible fixed assets	-	-	6,205,010	-	6,205,010
Investments	3,609,508	5,150,000	—	161,949	8,921,457
Net current (liabilities) assets	124,224	—	—	—	124,224
Total	3,733,732	5,150,000	6,205,010	161,949	15,250,691

20 Analysis of net assets between funds (continued)

The total unrealised gains constitute movements on revaluation and as at 31 August 2024, excluding those relating to forward exchange contracts (see note 14c), they were as follows:

	2024 £	2023 £
Unrealised Gains (Losses) included above		
On Investment Properties	1,340,000	1,340,000
On Listed Investments	185,759	47,328
Total Unrealised Gains at 31 August	1,524,759	1,387,328
Reconciliation of movement of unrealized gains		
Unrealised Gains at 1 September	1,387,328	1,853,121
Less: Disposals in the Year	-	(44,688)
Net (Losses) Gains on Revaluation	138,431	(421,105)
Total Unrealised Gains at 31st August	1,524,759	1,387,328

21 Related party transactions

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) as both charities have several trustees in common.

During the year, rent of £12,000 (2023—£12,000) for the use of St Mary's Church and office space in the monastery was received by Douai Abbey Trust from Douai Abbey Parishes Trust. No balance was outstanding at either year end.

On 13 February 2020 the trustees signed a loan agreement Douai Abbey Parishes Trust to loan funds to the parish of Our Lady and St Joseph's, Alcester. The amount agreed to be loaned by Douai Abbey Trust was a maximum of £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum but repayments had not yet started by the year end. The amount receivable at 31 August 2024 was therefore £20,000 (see note 15).

During the year, total amounts of £97,380 (2023 – £51,950) were received from the Douai Abbey Parishes Trust via the Common Purse, which represents amounts receivable directly by members of the Community in their capacity as parish priests. Amounts receivable at the year-end amounted to £14,465 (2023 – £16,565).

The salary and social security payments for the post of Douai Parish Administrator within the Douai Abbey Parishes Trust are processed through the charity's payroll. £14,184 (2023 – £18,318) was recharged to the Douai Abbey Parishes Trust in respect of the cost of employment for this staff member and no amounts were outstanding at the year end.

21 Related party transactions (continued)

During the year, the charity paid administrative costs of £1,786 (2023 – £3,270) in relation to printing on behalf of Douai Abbey Parishes Trust. At the year end, none (2023 – £3,270) remained outstanding.

In the prior year the Douai Abbey Parishes Trust purchased a laptop at a cost of £1,500 for one of its parish priests during the year. The charity reimbursed the full amount and there was no balance outstanding at the year end.

Other than the transactions above and the donations received by trustees disclosed in note 11 to these accounts, there were no other related party transactions during the year which require disclosure (2023 – none).

Accounts



Douai Abbey Trust

Annual Report and Accounts

31 August 2023

Charity Registration Number
236962

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Reference and administrative information

Trustees	Rt Revd P Gunter OSB Revd A Hood OSB Revd A Somerville Knapman OSB Revd T Holt OSB Revd S Wilson OSB
Principal address	Douai Abbey Upper Woolhampton Reading RG7 5TQ
Telephone	0118 971 5300
Website	www.douaiabbey.org.uk
Charity registration number	236962
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc 30 Market Place Newbury RG14 5AJ
Investment managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Solicitors	Knights LLP Rivergate House Newbury Business Park London Road Newbury RG14 2PZ

Trustees' report Year to 31 August 2023

The trustees present their statutory report together with the accounts of Douai Abbey Trust ("the charity") for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 26 to 31 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of St Edmund of the English Benedictine Congregation of the Order of St Benedict (the "Community"), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational and pastoral and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as "The Trustees of Douai Abbey" by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- ◆ The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- ◆ Caring for members of the Community including those who are older and/or frail;
- ◆ The provision of education in the broadest sense and the education of new members of the Community training for the monastic life;
- ◆ The provision of social and pastoral work, particularly in the field of hospitality; and
- ◆ Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under "Mission", the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into a number of principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

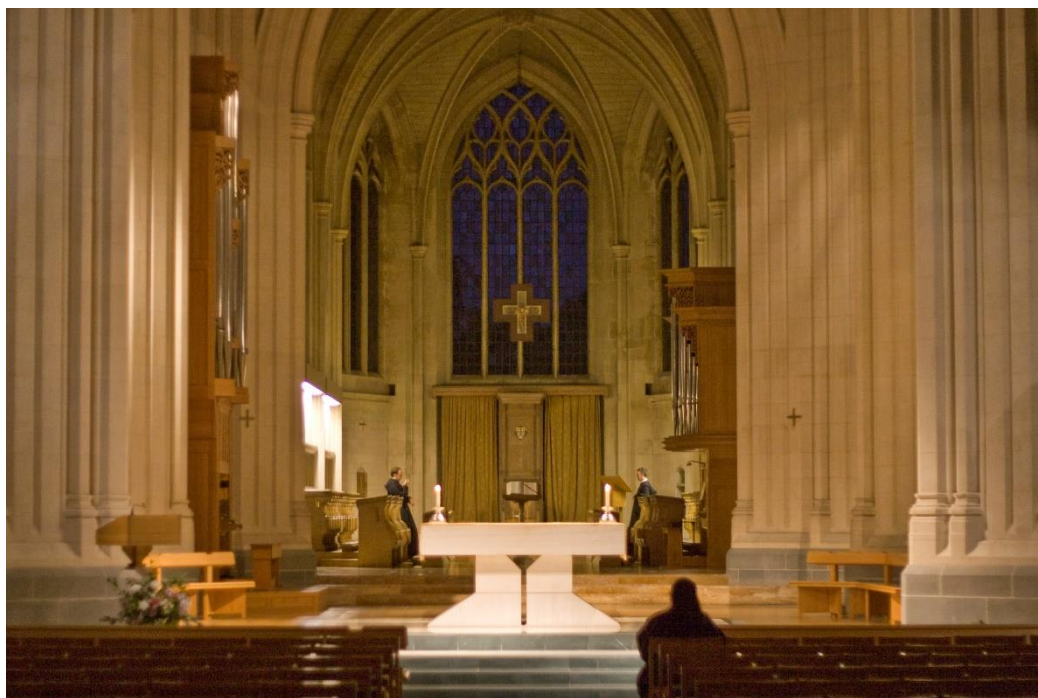
Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

♦ **Formal Divine Service and other services in the Abbey Church**

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The masses on Sunday and on feast days are well attended by parishioners and by others from further afield. At other times, the Church is open and visitors may come and pray by themselves. The church is also used by the Catholic Diocese of Portsmouth and by other churches in the area who do not have enough space for large celebrations.



The Abbey Church is a listed building (Grade 2*) and some people come to appreciate the architecture; guide books and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

In addition, regular concerts in the Abbey Church are organised by the monastic community and by outside organisations and enhance the cultural opportunities of the locality.

It is made clear to those who attend such concerts that the Abbey Church is a sacred space. This highlights the aims of the charity, even if visitors' primary reason for attending is to listen to the music. The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and formal gatherings to mark the end of the school year. The annual confirmation of Catholic boys at Winchester College is held in the Church. Most of these events are made possible without a prescribed charge to the outside organisations.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Caring for members of the Community including those who are older and/or frail**

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, have been covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, as a consequence, they will assess how it affects the ministries of the individual members of the Community. They are aware of the financial implications for the charity's resources.

♦ **The provision of education**

The Community's work in the field of education is broad and includes the education of new members of the Community training for monastic life and Church Ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the Monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the pastoral programme of talks, and by offering retreats and courses for spiritual and theological renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which is another strand in the Community's educational outreach.

♦ **The provision of hospitality and pastoral work**

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees are currently carrying out a review of their suggested charges. The trustees consider that this is a clear and significant means by which the charity is able to discharge its duty of public benefit. While a majority of our guests are Roman Catholic, increasing numbers from other Christian denominations and other religions are also welcomed.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **The provision of hospitality and pastoral work** (continued)

Members of the Community continue to maintain and develop pastoral work in the parishes that are the responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parish Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which do not belong to the Community.



♦ **Members of the Community working elsewhere**

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches as well as supervising the formation of those students in training for the priesthood. He also serves the English Benedictine Congregation as its representative in Rome. The Abbot, Fr Paul Gunter, continues to work as Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

♦ **Donations to other organisations**

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

♦ **Protection of Children and Vulnerable Adults**

Like all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS).

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Protection of Children and Vulnerable Adults** (continued)

The trustees are fully committed to implementing all policies and procedures of the Catholic Safeguarding Standards Agency (CSSA). The Safeguarding Representative for the Trust appointed in the previous year continues to work for the community. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level; she and the Abbot form the community's Child Protection Committee under the Religious Life Safeguarding Service, which is now responsible for safeguarding for virtually all the Catholic religious communities in England and Wales. Safeguarding appears as an agenda item on every trustee meeting and the Safeguarding Representative attends at least one meeting of the trustees during the year.

As reported last year, the community, together with the other monasteries in the English Benedictine Congregation, engaged the services of an American, non-religious organisation called Praesidium who compiled a report on the community's safeguarding policies and practice. The community spent a great deal of time during the year reviewing our policies so that we could achieve accreditation from this organisation. In January 2021 we received confirmation that we had been accredited and this accreditation was renewed in 2023.

The community is now also regulated by the newly constituted Religious Life Safeguarding Service (RLSS) which has been set up by the Catholic Church in England and Wales to separate Safeguarding matters for religious communities from the body which deals with the dioceses.

The Abbot volunteered Douai Abbey to be one of the first religious communities to undergo a pilot audit by the Catholic Safeguarding Standards Agency. This took place in September 2023 and the community achieved the rating of "Comprehensive Assurance"

In October 2023 every member of the community (those living at the Abbey and those working on parishes) attended training provided by the RLSS.

Investment policy

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2023 of £4,976,793 (2022 – £5,419,395).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term; the trustees have agreed a detailed investment policy that includes ethical guidelines with the investment managers which they take into account in their choice of securities. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as this can be practically established. With the help of our investment managers Ruffer LLP, the overall investment policy is to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

Investment policy (continued)

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees whose representatives meet with the investment managers regularly. For many years the trustees have welcomed the attendance of financial advisers to half of their regular meetings, that is three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisers can be found on page 1.

The charity also has several properties which are used to generate rental income and which are classified in the accounts as investment properties.

Achievements and performance

Review of activities

♦ Formal Divine Service and other services in the Abbey Church

By its very nature the regular round of Divine Services in a monastery do not vary much from year to year. The pandemic gave rise to many restrictions on the ability of lay people and guests to participate, but attendance is now back to its previous level and in fact there are signs that new and younger people are beginning to form a regular part of the congregation.

Cameras and an enhanced sound system were installed during the previous year to enable live-streaming, and this has continued to be used for special occasions for the public, particularly for funerals and weddings.

♦ Caring for older and frail members of the community

One member of the community was resident in the monastery infirmary until October 2023, but he has now had to move to a care home. Another member of the community has now moved into the infirmary. The monk who acts as the infirmarian continues to take part in regular virtual meetings with other infirmarians and health professionals. During the year the care manager of another religious community has visited and has prepared a report on the layout, staffing and policies of the infirmary which the trustees are currently considering.

♦ Our buildings and our environment

There have been no significant building works during the year, apart from essential maintenance. After two break-ins to our maintenance workshops we have installed an alarm and CCTV system and have also automated the closure of our main entrance gate. We have continued to investigate the possibility of introducing a new heating system in the accommodation blocks which date from the 1960s. We hope to reduce our dependence on oil. Last year we reported that our telephone system was said to be near the end of its useful life and in fact it failed at the beginning of September 2022. We have now replaced and upgraded the system.

Our two churches on site (the Abbey Church and the Parish Church) have been subject to Quinquennial Inspections for many years in accordance with good practice and we have now asked the architect responsible for these inspections to undertake a similar inspection for the rest of our buildings. The trustees look forward to receiving the report and its recommendations.

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education**

One new member joined the community in August 2023, and one junior monk has continued his philosophical and theological studies at Blackfriars Hall, Oxford. A few people are in touch with the community about the possibility of joining the community in the future.

The community produces a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School and other supporters.

The most recent edition included articles by monks, friends, and independent scholars on such varied subjects as the events surrounding the tercentenary of the birth of Bishop Charles Walmesley (1722 – 1797), a record of the General Chapter held in 2022, an account of the Election and Blessing of the new abbot, together with a chronicle of events and some book reviews.

The trustees consider the monastery's archive and library to be part of its service to education. Researchers are once again using the archives for research. One archivist is employed to catalogue the archive and to assist researchers where necessary.

♦ **The provision of hospitality and pastoral work**

The Guest House has been open throughout the year and the number of guests has begun to return to pre-pandemic levels. The trustees normally provide statistics giving numbers of guest/nights with a comparative figure for the previous year, but the effect of the pandemic on the previous years would make such a comparison meaningless. The income from the Guest House totalled £140,299 (2022 £117,185).

Our monks have continued to serve in parishes in the Midlands and in Lancashire.



Trustees' report Year to 31 August 2023

Investment performance

During the year to 31 August 2023, the charity's listed investments produced an income yield of 1.20% (2022 – 1.11%). The charity's listed investments fell in value during the year, giving rise to net investment losses of £310,584 (2022 – gains of £171,197) on the portfolio. The capital yield on the portfolio during the year showed a fall in value of 6.35% (2022 – increase in value of 4.6%).

Investment properties produced rental income of £120,500 (2022 – £127,587) during the year.

Financial report for the year

Results for the year

A summary of the results for the year can be found on page 23 of the attached accounts.

Total income for the year amounted to £597,883 compared to £652,173 in the previous year. Donations and legacies amount to £221,719 compared to £321,861. The total figures include donations of £21,057 (2022 – £18,110) being monies restricted in their use and mainly raised towards the future costs of maintaining the library archives. Income from charitable activities i.e. retreat house income and related receipts increased to £162,932 (2022 – £128,596) as did income from visitors and other trading activities to £10,149 (2022 – £8,318). Income from listed and property investments, together with interest receivable, amounted to £191,083 (2022 – £181,398).

Expenditure amounted to £1,078,534 compared to £933,847 in 2022. The cost of raising funds increased by £10,472 to £77,819 (2022 – £67,347), the costs in relation to supporting members of the Community and their ministry increased to £1,000,715 (2022 – £866,500). The increase is due to increases in the cost of premises and pastoral activities.

The net expenditure for the year before investment losses/gains and foreign exchange losses/gains was £480,651 (2022 – net expenditure of £281,674). The net investment losses totalled £310,584 (2022 – £171,197) in respect to listed investments. During the year ended 31 August 2022, net gains on the revaluation of investment properties amounted to £597,500; the investment properties were not revalued during the year ended 31 August 2023. Forward foreign exchange gains totalled £65,852 (2022 – losses of £19,771). When these net losses/gains are accounted for, the overall impact on the charity's funds is a decrease of £725,383 for the year (2022 – increase of £467,252).

Reserves policy and financial position

Reserves policy

As explained above, the charity carries out a diverse range of activities, some of which comprise short term and externally funded projects whilst others comprise long term projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to a minimum of 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate sufficient returns to fund recurring expenditure.

Financial report for the year (continued)

Reserves and policy and financial position (continued)

Reserves policy (continued)

The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds £15,250,691 (2022 – £15,976,074).

These funds include an amount of £161,949 (2022 – £155,992) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 17 to the accounts together with an analysis of movements in the year.

The tangible fixed assets fund equal to the net book value of the tangible fixed assets and amounting to £6,205,010 (2022 – £6,367,361) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Funds totalling £5,150,000 (2022 – £5,150,000) have been designated, or set aside, by the trustees for specific purposes as follows:

- ◆ An amount of £4,150,000 (2022 – £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- ◆ £1,000,000 (2022 – £1,000,000) has been set aside towards the cost of future improvements to, and maintenance of, the charity's freehold properties.

Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 18 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2023 total £3,733,732 (2022 – £4,302,721).

The trustees consider that this level of free reserves is appropriate despite it being slightly higher than the amount set out in the charity's reserves policy above. The trustees are of this opinion that this is both acceptable and prudent given the volatility in world stock markets at the present time and the other political and economic uncertainties resulting from the aftermath of the global Covid-19 pandemic and because of the current cost of living crisis, particularly the cost of energy and food.

Financial report for the year (continued)

Reserves and policy and financial position (continued)

Financial position (continued)

They also accept that in the years ahead, members of the Community may require increasing and increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2022 – £4,150,000) described above may prove to be inadequate. This has been brought home to the trustees as they are now faced with a bill for care home costs for one member of the community amounting to £7,500 per month, although there is a small chance that some of this will be covered by a local authority. It is the intention of the trustees to increase the fund over time. The trustees, therefore, consider free reserves to be adequate but not excessive, but they will keep this matter under review.

Raising funds

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

Future plans

The trustees intend to continue to follow up the recommendations of Steven Little's financial report which was presented to them in October 2022. They are in the process of increasing the recommended charges for the Guest House.

During the year we consulted an experienced and successful fundraiser with a view to restructuring and enhancing our fundraising activities, recognising that effective fundraising is essential to the Community's well-being and future work. As a result of that exercise, we have initiated the launch of a new fundraising vehicle: the Society of St Edmund at Douai (SSEDA) This was formally launched in December and the trustees intend to develop this over the coming years. It will be geared to fund new projects rather than to support our general and recurring costs.

The trustees will be encouraging the Community to think about its future and to determine what it stands for and what particular contribution it can make to the Church and to Society. The trustees want it to be clear to any newcomers or enquirers what our values are and how we can best fulfil their hopes and needs. The trustees are actively planning to change from a charitable trust to a CIO and we have received legal and financial advice about this move.

The bursar has been in post since 2005 and the trustees consider that it is time for a change. They have started the process of finding a replacement.

Governance, structure and management

Governance

Douai Abbey is an autonomous monastery of the Roman Catholic English Benedictine Congregation. The conduct and administration of the monastery is subject to the Constitutions of the English Benedictine Congregation and to the precepts of the Code of Canon Law of the Roman Catholic Church.

In terms of civil law the charity is governed by a trust deed dated 22 September 1934 and is a registered charity – Charity Registration No 236962. The trustees of the Abbey are the Abbot and the members of his Council. The members of the Abbot's Council are each year partly appointed by the Abbot himself from members of the Community and partly elected by the monks of the Abbey.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly quarterly or so, the trustees are involved on a daily basis with the work of the charity, live within the Abbey itself or in its parishes, and meet and interact on a frequent basis. As members of the monastic community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members. The trustees seek advice from professional advisers where necessary on legal, accounting, property and other issues. In addition, a voluntary advisory group of professionals of varied financial experience advises the trustees on investment policy and strategic development. The bursar attends external meetings and conferences during the year which enable him to keep up to date with developments of interest to the charity and to the sector as a whole. The Abbot is also involved in other trusts and attends meetings with other religious superiors during the year. Other trustees are encouraged to attend relevant and appropriate courses and conferences so as to enable them to continue to be aware of their responsibilities and developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details on page 1 of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2023 are given below:

Revd P Gunter OSB, BD, SL.L, SL.D

Abbot of Douai and chairman of the trustees since May 2022. Formerly Parish Priest of Alcester since 2016 and Secretary of the Department of Christian Life and Worship to the Catholic Bishop's Conference of England and Wales since 2012. Consulter to the Office of the Liturgical Celebrations of the Supreme Pontiff, Vatican City 2018-2013. Visiting Professor, Pontifical Athenaeum Regina Apostolorum, Rome 2008-2015, Professor at the Pontifical Institute of Liturgy, Rome 2006-2016. Further Studies, Rome 2002-2006. Parish Priest, Studley 1999-2002 and Trustee of Douai Abbey Parishes Trust. Member, Council of Priests, Diocese of Clifton 1995-1999; assistant priest, school chaplain, hospital chaplain, Cheltenham 1992-1999.

Governance, structure and management (continued)

Governance (continued)

Revd Gabriel Wilson BA

Before joining the Douai community in 2008 he was a Teacher of English, Head of Department and Advanced Skills Secondary School Teacher for 17 years. Father Gabriel is Prior and Novice Master. He has directed the Abbey's Pastoral Programme, led retreats, coordinated the Abbey's Alongside Programme for those exploring monastic life, and has been Parish Priest of St Mary's Woolhampton. He is also an Associate Governor of a Primary School in Thatcham and looks after the Douai Abbey apiary, advocating locally adapted bees and treatment-free beekeeping.

Revd A Hood MA, PhD, PGCE, AdvDip Couns

Prior of Douai Abbey from September 2014 until June 2021. Teacher at Douai School, 1992 - 1995, served on the Douai parish of Ormskirk, 1995 - 2002, (during which time he was a trustee of the Douai Abbey Parishes Trust), Novice Master, 2002-2021 and Choirmaster at Douai since 2002. He was formerly a trustee of the charity from 1998 until 2006. He is on the editorial board of the Douai Magazine and since September 2022 has been Parish Priest of the Douai Abbey parish.

Revd T J Holt MA

Teacher of English in Douai School 1977 - 1999, housemaster 1982 - 1999, Bursar of Douai Abbey since 2005, trustee since 1997, trustee of Priors Court School 2005 – 2014, trustee of Lejeune Clinic for children with Down's Syndrome 2006 - 2016, trustee of Friends of Newbury Spring Festival 2008 - 2018, member of Association of Provincial Bursars. Trustee of Downside Abbey 2016 – 2019.

Revd A Somerville Knapman OSB, MPhil, MA (Theol), STB, BA

Joining the monastery in early 2001, he was ordained a priest in April 2007 after studying in Oxford and Rome. His recently completed theological research at Bristol University was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney and worked in education and then in a civilian role in communications for the New South Wales Police in Sydney, Australia. Currently he serves as the parish priest of Scarisbrick in Lancashire and is the Community webmaster. He is engaged in doctoral studies and undertakes various publishing projects for the Community under the imprint of The Weldon Press. This year the Press published an historical guide to one of our parishes and will be publishing a biography in the coming year. He is on the editorial board of the Douai Magazine.

The Douai Abbey trustees have a number of financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings.

Margaret Chin-Wolf is a ICF Certified coach, a Meyler Campbell trained business and leadership coach and a graduate of the FT Non-Executive Director Diploma. An economist and barrister by training, she was also a portfolio manager, investment analyst and strategist for 32 years. She was Governor of the University of Winchester from 2014 to 2021 and of the Pilgrims' School from 2012 to 2022.

Governance, structure and management (continued)

Governance (continued)

Denis Murtagh is a chartered accountant. Now retired, he spent most of his career with KPMG, one of the largest global accounting and advisory firms, where he was a tax adviser.

Dr Ralph Townsend was Headmaster of Winchester College from 2005 to 2016. He was President of Keio Academy of New York and Special Adviser to the President of Keio University 2017 – 2021 and Chairman of The Prep Schools Trust 2017 – 2022. He has been Director of an educational consultancy, Winton Consult Limited, since 2017, engaged in advisory service on school governance, management and curriculum in Europe and USA.

Graham Hutton worked in financial services for the whole of his career until retiring in 2020. He was a director of the merchant bank, Morgan Grenfell, from 1988 to 1998 and Chief Executive of Morgan Grenfell Private Equity from 1998 to 2001. He then co-founded the private equity firm, Hutton Collins, of which he was one of two senior partners until his retirement. He is a Knight of Magistral Grace in the Order of Malta, Deputy Chairman of the Orders of St John Care Trust and Chairman of its Finance Committee. He is a board member of the International Theological Institute in Trumau, Austria and was Chairman of Aid to the Church in Need, UK, from 2013 until 2022.

Kate Burke (Safeguarding Representative) was a social worker for 42 years. She undertook advanced training in Child Protection (Safeguarding). She delivered training over many years at Thames Valley Police College Sulhampstead to Police and Social Services (until 2014). Kate currently works with the diocese of Southwark, Westminster and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Standards Agency. She is attending a nine-month on-line course on the Theology of Safeguarding. She served for 15 years on Portsmouth Diocese Safeguarding Commission (until 2019). Kate currently works with the dioceses of Southwark, Westminster and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Standards Agency. She attended a nine-month on-line course on the Theology of Safeguarding last year and three RLSS training sessions on Victims and Survivors and the role of Safeguarding Leads.

Trustees' responsibilities statement

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

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);

Governance, structure and management (continued)

Trustees' responsibilities statement (continued)

- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management

The trustees consider that they together with the Bursar comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

The trustees and the Bursar are all members of the Community and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or as senior management.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments with regard to the charity or its activities and make any important decisions.

As stated above, when necessary, the trustees seek advice and support from the charity's professional advisers, e.g. property consultants, investment managers, solicitors and accountants. For some matters the constitutions of the English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

Working with other organisations

The Community is responsible for the administration of several Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity – the Douai Abbey Parish Trust (Registered Charity No: 1063237). Three of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parish Trust. Details of transactions between the two charities are given in the notes to the accounts.

Governance, structure and management (continued)

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key staff, disaster recovery and reputational risk.

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

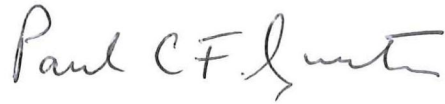
- ◆ **Loss of key management (Abbot, Bursar etc)**
The trustees are aware that they are very dependent on certain key people and the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the load of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Abbey is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties.
- ◆ **Failure to recruit and retain new members**
The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.
- ◆ **Dependence on returns from investments rather than operations**
The charity relies to a large extent on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, taking into account current and future political and economic uncertainties. As explained in "Reserves Policy" on pages 9 and 10, the charity's reserves policy reflects the need to hold investments in order to generate investment returns to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees continue to monitor the performance of the charity's investments and maintain a regular dialogue with the charity's investment managers, Ruffer LLP.
- ◆ **Safeguarding and other reputational issues**
These are addressed under relevant policies on pages 5 and 6.

Employees, volunteers and members of the Community

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

Trustees' report Year to 31 August 2023

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read "Paul C. F. Smith". The signature is written in a cursive, flowing style.

Trustee

Approved by the trustees on: 29 February 2024

Independent auditor's report to the trustees of Douai Abbey Trust

Opinion

We have audited the accounts of Douai Abbey Trust (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

In preparing the accounts, the trustees are responsible for assessing the 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

How the audit was considered capable of detecting irregularities including fraud

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

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

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

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

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

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

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

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

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

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

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

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the 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.

Independent auditor's report Year to 31 August 2023

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Date 26 April 2024

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

Statement of financial activities Year to 31 August 2023

	Notes	Un-restricted funds £	Restricted funds £	2023 Total funds £	Un-restricted funds £	Restricted funds £	2022 Total funds £
Income from:							
Donations and legacies	1	200,662	21,057	221,719	303,751	18,110	321,861
Charitable activities	2	162,932	—	162,932	128,596	—	128,596
Other trading activities	3	10,149	—	10,149	8,318	—	8,318
Investments and interest receivable	4	191,083	—	191,083	181,398	—	181,398
Other sources							
. Miscellaneous income		12,000	—	12,000	12,000	—	12,000
Total income		576,826	21,057	597,883	634,063	18,110	652,173
Expenditure on:							
Raising funds	5	77,819	—	77,819	67,347	—	67,347
Charitable activities							
. Support of members of the Community and their ministry	6	985,615	15,100	1,000,715	865,586	914	866,500
Total expenditure		1,063,434	15,100	1,078,534	932,933	914	933,847
Net (expenditure) income before gains (losses) on foreign exchange and investments	9	(486,608)	5,957	(480,651)	(298,870)	17,196	(281,674)
Other recognised gains and losses							
Gains on the revaluation of investment properties	14	—	—	—	597,500	—	597,500
Forward exchange gains (losses)	14	65,852	—	65,852	(19,771)	—	(19,771)
(Losses) gains on the revaluation and disposal of listed investments	14	(310,584)	—	(310,584)	171,197	—	171,197
Net (expenditure) income and net movement in funds		(731,340)	5,957	(725,383)	450,056	17,196	467,252
Reconciliation of funds:							
Fund balances brought forward at 1 September 2022		15,820,082	155,992	15,976,074	15,370,026	138,796	15,508,822
Fund balances carried forward at 31 August 2023		15,088,742	161,949	15,250,691	15,820,082	155,992	15,976,074

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

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

Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets:					
Tangible assets	13		6,205,010		6,367,361
Investments	14		8,921,457		9,352,011
			<u>15,126,467</u>		<u>15,719,372</u>
Current assets:					
Stocks		16,451		16,809	
Debtors	15	101,368		161,239	
Cash at bank and in hand		57,077		118,323	
		<u>174,896</u>		<u>296,371</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	(50,672)		(39,669)	
Net current assets			124,224		256,702
Total net assets			<u>15,250,691</u>		<u>15,976,074</u>
The funds of the charity:					
Restricted funds	17		161,949		155,992
Unrestricted funds					
. General fund			3,733,732		4,302,721
. Designated funds	18		5,150,000		5,150,000
. Tangible fixed asset fund	19		6,205,010		6,367,361
Total charity funds			<u>15,250,691</u>		<u>15,976,074</u>

Approved by the trustees and signed on their behalf by:

Paul C.F. Smith

Trustee

Approved on: 29 February 2024

Statement of cash flows Year to 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(405,063)	(419,323)
Cash flows from investing activities:			
Investment income including rent received		192,610	180,379
Purchase of tangible fixed assets		(34,615)	(19,477)
Proceeds from the disposal of listed investments		3,586,208	3,598,602
Net proceeds from (cost of) settlement of foreign exchange contracts		53,809	(15,485)
Purchase of listed investments		(3,889,964)	(3,313,955)
Net cash (used in) provided by investing activities		(91,952)	430,064
Change in cash and cash equivalents in the year		(497,015)	10,741
Cash and cash equivalents at 1 September 2022		733,472	722,731
Cash and cash equivalents at 31 August 2023	B	236,457	733,472

Notes to the statement of cash flows for the year to 31 August 2023.

A Reconciliation of net movement in funds to net cash used in operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(725,383)	467,252
Adjustments for:		
Depreciation charge	196,966	192,334
Net losses (gains) on foreign exchange contracts and investments	244,732	(748,926)
Investment income including rent receivable	(191,083)	(181,398)
Decrease in stocks	358	1,173
Decrease (increase) in debtors	58,344	(147,052)
Increase (decrease) in creditors	11,003	(2,706)
Net cash used in operating activities	(405,063)	(419,323)

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	57,077	118,323
Cash held by investment managers	179,380	615,149
Total cash and cash equivalents	236,457	733,472

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

Principal accounting policies 31 August 2023

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2023 with comparative information provided in respect to the year to 31 August 2022.

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

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

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income and estimating the amount to be received;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ estimating the fair value of investment properties;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income.

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

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

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

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

Income recognition (continued)

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

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

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

a. Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis.

Tangible fixed assets (continued)

Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

b. Other tangible fixed assets

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Plant, furniture and equipment – 5% to 20% per annum based on cost
- ◆ Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Fixed asset investments

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

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally on 27 February 2023 for the year ended 31 August 2022 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

Foreign currencies

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

Services provided by members of the Community

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

Principal accounting policies 31 August 2023

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Donations	11,115	21,057	32,172	71,933	18,110	90,043
Legacies	14,128	—	14,128	67,740	—	67,740
Collections and offertory	52,211	—	52,211	47,419	—	47,419
Amount receivable from parishes administered by Douai Abbey	51,950	—	51,950	51,272	—	51,272
Pensions and other income of individual religious received under deed of covenant	71,258	—	71,258	65,387	—	65,387
Total funds	200,662	21,057	221,719	303,751	18,110	321,861

2 Income from: Charitable activities

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Sales of religious books and artefacts	10,404	—	10,404	5,839	—	5,839
Retreat house and related income	140,299	—	140,299	117,185	—	117,185
Other	12,229	—	12,229	5,572	—	5,572
Total funds	162,932	—	162,932	128,596	—	128,596

3 Income from: Other trading activities

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Visitors for non-religious purposes	6,746	—	6,746	6,292	—	6,292
Other	3,403	—	3,403	2,026	—	2,026
Total funds	10,149	—	10,149	8,318	—	8,318

4 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Income from listed investments and National Savings Bonds						
. UK equities	9,602	—	9,602	15,592	—	15,592
. Overseas equities	9,697	—	9,697	27,090	—	27,090
. Government bonds	34,009	—	34,009	11,097	—	11,097
	53,308	—	53,308	53,779	—	53,779
Income from investment property						
. Rental income	120,500	—	120,500	127,587	—	127,587
Interest receivable	5,547	—	5,547	—	—	—
Exchange gains on investments	11,728	—	11,728	32	—	32
Total funds	191,083	—	191,083	181,398	—	181,398

5 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Investment property expenses	15,608	—	15,608	3,933	—	3,933
Investment manager's fees	59,226	—	59,226	61,765	—	61,765
Other	2,985	—	2,985	1,649	—	1,649
Total funds	77,819	—	77,819	67,347	—	67,347

6 Expenditure on: Support of members of the Community and their ministry

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Staff costs (excl. pastoral activities)	205,836	—	205,836	184,317	—	184,317
Depreciation	196,966	—	196,966	192,334	—	192,334
Living and personal costs	229,412	445	229,857	161,713	—	161,713
Premises	233,140	—	233,140	209,897	—	209,897
Pastoral activities (incl. staff costs)	79,782	14,655	94,437	57,368	914	58,282
Governance (note 7)	23,575	—	23,575	37,780	—	37,780
Donations (note 8)	634	—	634	10,781	—	10,781
Other	16,270	—	16,270	11,396	—	11,396
Total funds	985,615	15,100	1,000,715	865,586	914	866,500

7 Governance

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Professional fees	9,086	—	9,086	5,341	—	5,341
Legal fees	1,349	—	1,349	21,794	—	21,794
Auditor's remuneration	13,140	—	13,140	10,645	—	10,645
Total funds	23,575	—	23,575	37,780	—	37,780

8 Donations

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Voluntary Service Overseas	—	—	—	1,000	—	1,000
Cardinal Hume Centre	—	—	—	1,000	—	1,000
Aid to the Church in Need	—	—	—	5,000	—	5,000
Society for the Protection of Unborn Children	—	—	—	1,000	—	1,000
Donations of less than £1,000 each	634	—	634	2,781	—	2,781
	634	—	634	10,781	—	10,781

9 Net (expenditure) income before (losses) gains on foreign exchange and investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Staff costs (note 10)	249,857	—	249,857	211,204	—	211,204
Auditor's remuneration						
. Statutory audit services	13,140	—	13,140	10,645	—	10,645
Depreciation	196,966	—	196,966	192,334	—	192,334

10 Employees and staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	223,815	187,921
Social security costs	17,572	15,635
Other pension costs	8,470	7,648
	249,857	211,204

No employee earned in excess of £60,000 per annum (including taxable benefits) or more during the year (2022 – none).

The average number of employees during the period was 15 (2022 – 13).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the Bursar. They received no remuneration or reimbursement of expenses in connection with their duties during the year (2022 – £nil).

11 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. None of the trustees has received any remuneration or reimbursement of expenses in connection with their duties as trustees (2022 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £12,766 (2022 – £19,147).

12 Taxation

Douai Abbey Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities or tax on capital gains, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Freehold land and buildings £	Plant, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2022	9,347,196	278,396	32,574	9,658,166
Additions	—	30,325	4,290	34,615
At 31 August 2023	<u>9,347,196</u>	<u>308,721</u>	<u>36,864</u>	<u>9,692,781</u>
Depreciation				
At 1 September 2022	3,089,981	184,176	16,648	3,290,805
Charge for year	171,410	19,904	5,652	196,966
At 31 August 2023	<u>3,261,391</u>	<u>204,080</u>	<u>22,300</u>	<u>3,487,771</u>
Net book values				
At 31 August 2023	<u>6,085,805</u>	<u>104,641</u>	<u>14,564</u>	<u>6,205,010</u>
At 31 August 2022	<u>6,257,215</u>	<u>94,220</u>	<u>15,926</u>	<u>6,367,361</u>

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

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

14 Fixed asset investments

At 31 August 2023 fixed asset investments comprised:

	2023 £	2022 £
Freehold investment property (see a below)	3,940,000	3,940,000
Listed investments and cash held for re-investment (see b below)	4,976,793	5,419,390
Foreign exchange contracts (see c below)	4,664	(7,379)
	<u>8,921,457</u>	<u>9,352,011</u>

Movements on each category of investment are summarised below.

a. Freehold investment property

	2023 £	2022 £
Fair (market) value at 1 September 2022	3,940,000	3,342,500
Revaluation gains in the year	—	597,500
Fair (market) value at 31 August 2023	<u>3,940,000</u>	<u>3,940,000</u>

14 Fixed asset investments (continued)

a. Freehold investment property (continued)

The investment properties were purchased many years ago and accurate cost figures for the properties are not available without considerable research. The trustees are of the opinion that the cost and time involved in such an exercise is not commensurate with the value to be obtained from ascertaining such information.

The charity's freehold investment properties are included at fair value based on open market value. They were re-valued formally on 27 February 2023 for the year ended 31 August 2022. The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book").

b. Listed investments and cash held for re-investment

	2023 £	2022 £
Listed investments		
Fair (market) value at 1 September 2022	4,804,241	4,917,691
Additions at cost	3,889,964	3,313,955
Disposals at book value (proceeds: £3,586,208 realised gains: £110,521)	(3,475,687)	(3,634,247)
Net unrealised investment (losses) gains	(421,105)	206,842
Fair (market) value at 31 August 2023	4,797,413	4,804,241
Cash held by investment managers for re-investment	179,380	615,149
	4,976,793	5,419,390
Cost of listed investments at 31 August 2023	4,750,085	4,291,120

All listed investments were dealt in on recognised stock exchanges.

Listed investments held at 31 August 2023 comprised the following:

	2023 £	2022 £
UK equities	126,641	285,464
Overseas equities	612,946	542,254
Government bonds	2,654,804	2,682,150
Open ended investment funds	334,251	455,703
Alternatives	1,068,772	838,670
	4,797,413	4,804,241

14 Fixed asset investments (continued)

b. Listed investments and cash held for re-investment (continued)

At 31 August 2023, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Market value 2023 £	Percentage 2023 %
Ruffer Illiquid Multi Strategies Fund 2015 Ltd	330,556	6.9%
UK (Govt of) 0.125% 31/01/2024	363,359	7.6%
UK (Govt of) 0.25% 31/01/2025	479,393	10.0%
Ruffer SICAV Fixed Income Z GBP Cap	1,452,977	30.3%
Ruffer Protection Strategies International z GBP	334,251	7.0%
Wisdom Tree Brent Crude Oil ETC	322,539	6.7%

	Market value 2022 £	Percentage 2022 %
Ruffer Illiquid Multi Strategies Fund 2015 Ltd	519,937	10.8%
UK (Govt of) 2.5% I/L 17/07/2024	429,361	8.9%
UK (Govt of) 0.125% I/L 22/03/2024	436,284	9.1%
Ruffer SICAV Fixed Income Z GBP Cap	1,362,690	28.4%
Ruffer Protection Strategies International z GBP	455,703	9.5%

The Ruffer Protection Strategies International Fund is an open ended specialist investment fund in umbrella form, with separate sub-funds incorporated in Luxembourg.

The fund is limited to investing in instruments where the maximum loss is limited to the initial commitment paid. The fund may selectively hedge profitable holdings with swaps, forwards, and futures such that the combination of the holding being hedged and the hedge itself cannot expose the fund to a greater loss than the initial commitment paid on the holding being hedged.

c. Gains (losses) on foreign exchange contracts for the year ended 31 August 2023 consisted of the following:

	2023 £	2022 £
Foreign exchange contracts		
Fair value gains on unsettled contracts brought forward	2,777	3,093
Fair value gains (losses) on settlement	58,411	(15,485)
Fair value gains (losses) on unsettled contracts carried forward	4,664	(7,379)
Total gains (losses) on foreign exchange contracts	65,852	(19,771)

15 Debtors

	2023 £	2022 £
Investment income and interest receivable	475	2,002
Gift Aid recoverable	12,495	4,120
Legacies receivable	44,500	92,358
Prepayments	—	5,133
Other debtors and accrued income	23,898	37,626
Loan to Douai Abbey Parishes Trust (see below)	20,000	20,000
	101,368	161,239

On 13 February 2020, the trustees signed a loan agreement with Douai Abbey Parishes Trust (see note 21) to loan funds to one of the parishes accounted for within the Douai Abbey Parishes Trust to be applied towards the refurbishment of a parish hall. The maximum amount to be advanced by the charity was £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum. The hall is now in use but some minor snagging works are not yet completely finished.

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Expense creditors and accruals	47,334	37,288
VAT payable	3,338	2,381
	50,672	39,669

17 Restricted funds

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

	At 1 September 2022 £	Income £	Expenditure £	Transfers £	At 31 August 2023 £
Library Archives Fund	155,046	13,965	(14,655)	—	154,356
Formation Fund	—	445	(445)	—	—
Restricted retirement Fund	—	2,544	—	—	2,544
Student Fund	—	4,103	—	—	4,103
Other restricted funds	946	—	—	—	946
	155,992	21,057	(15,100)	—	161,949

17 Restricted funds (continued)

	At 1 September 2021 £	Income £	Expenditure £	Transfers £	At 31 August 2022 £
Library Archives Fund	137,850	18,110	(914)	—	155,046
Other restricted funds	946	—	—	—	946
	<u>138,796</u>	<u>18,110</u>	<u>(914)</u>	<u>—</u>	<u>155,992</u>

The specific purposes for which the funds are to be applied are as follows:

♦ **Library Archives Fund**

This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.

♦ **Formation Fund**

This fund represents monies held to be applied towards the cost of training members of the Community or others in theology and the provision of spiritual direction.

♦ **Restricted retirement Fund**

This fund is made up of donations made to the Abbey towards the cost of retirement of members, including medical and care costs.

♦ **Student Fund**

This fund represents monies received to help fund the studies of a student in India.

♦ **Other restricted funds**

This fund represents monies received for one-off specific purposes.

18 Designated funds

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

	At 1 September 2022 £	New designations £	Utilised/ released £	At 31 August 2023 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	1,000,000	—	—	1,000,000
	<u>5,150,000</u>	<u>—</u>	<u>—</u>	<u>5,150,000</u>

	At 1 September 2021 £	New designations £	Utilised/ released £	At 31 August 2022 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	1,000,000	—	—	1,000,000
	<u>5,150,000</u>	<u>—</u>	<u>—</u>	<u>5,150,000</u>

18 Designated funds (continued)

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement. It has been calculated using actuarial principles and will be reviewed regularly by the trustees in the light of the resources available and likely to be required.

The Development Fund comprises money set aside for future projects.

19 Tangible fixed assets fund

	£
At 1 September 2022	6,367,361
Movement in year	(161,159)
At 31 August 2023	6,206,202

	£
At 1 September 2021	6,540,218
Movement in year	(172,857)
At 31 August 2022	6,367,361

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

20 Analysis of net assets between funds

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2023 are represented by:					
Tangible fixed assets	—	—	6,205,010	—	6,205,010
Investments	3,609,508	5,150,000	—	161,949	8,921,457
Net current (liabilities) assets	124,224	—	—	—	124,224
Total net assets	3,733,732	5,150,000	6,205,010	161,949	15,250,691

20 Analysis of net assets between funds (continued)

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	—	—	6,367,361	—	6,367,361
Investments	4,202,011	5,150,000	—	—	9,352,011
Net current (liabilities) assets	100,710	—	—	155,992	256,702
Total net assets	4,302,721	5,150,000	6,367,361	155,992	15,976,074

The total unrealised gains constitute movements on revaluation and as at 31 August 2023, excluding those relating to forward exchange contracts (see note 14c), they were as follows:

	2023 £	2022 £
Unrealised gains (losses) included above:		
On investment properties	1,340,000	1,340,000
On listed investments	47,328	513,121
Total unrealised gains at 31 August 2023	1,387,328	1,853,121
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 September 2022	1,853,121	1,172,725
Less: in respect of disposals in the year	(44,688)	(123,946)
(Less) Add: net (losses) gains arising on revaluation arising in the year	(421,105)	804,342
Total unrealised gains at 31 August 2023	1,387,328	1,853,121

21 Related party transactions

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) by virtue of the fact that both charities have a number of trustees in common.

During the year, rent of £12,000 (2022 – £12,000) for the use of St Mary's Church and office space in the monastery was received by Douai Abbey Trust from Douai Abbey Parishes Trust. No balance was outstanding at either year end.

On 13 February 2020 the trustees signed a loan agreement Douai Abbey Parishes Trust to loan funds to the parish of Our Lady and St Joseph's, Alcester. The amount agreed to be loaned by Douai Abbey Trust was a maximum of £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum. The amount receivable at 31 August 2022 was therefore £20,000 (see note 15).

21 Related party transactions (continued)

During the year, total amounts of £51,950 (2022 – £51,272) were received from the Douai Abbey Parishes Trust via the Common Purse, which represents amounts receivable directly by members of the Community in their capacity as parish priests. Amounts receivable at the year end amounted to £16,565 (2022 – £37,626).

The salary and social security payments for the post of Douai Parish Administrator within the Douai Abbey Parishes Trust are processed through the charity's payroll. £18,318 (2022 – £8,145) was recharged to the Douai Abbey Parishes Trust in respect of the cost of employment for this staff member and no amounts were outstanding at the year end.

During the year, the charity paid administrative costs of £3,270 (2022 – £nil) in relation to printing on behalf of Douai Abbey Parishes Trust. At the year end, £3,270 (2022 – £nil) remained outstanding.

The Douai Abbey Parishes Trust purchased a laptop at a cost of £1,500 (2022 – £nil) for one of its parish priests during the year. The charity reimbursed the full amount and there was no balance outstanding at the year end.

Other than the transactions above and the donations received by trustees disclosed in note 11 to these accounts, there were no other related party transactions during the year which require disclosure (2022 – none).



New Parish Hall at the parish of Our Lady & St Joseph, Alcester, partly funded by the charity's loan to the Douai Abbey Parishes Trust.

Accounts



Douai Abbey Trust

Annual Report and Accounts

31 August 2022

Charity Registration Number
236962

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Reference and administrative information

Trustees	Rt Revd P Gunter OSB Rt Revd W G Scott OSB (resigned 11 May 2022) Revd A Hood OSB Revd B Standish OSB (resigned 11 May 2022) Revd T Bowe OSB (resigned 11 May 2022) Revd S Wilson (appointed 11 May 2022) Revd A Somerville Knapman OSB Revd T Holt OSB
Principal address	Douai Abbey Upper Woolhampton Reading RG7 5TQ
Telephone	0118 971 5300
Website	www.douaiabbey.org.uk
Charity registration number	236962
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc 30 Market Place Newbury RG14 5AJ
Investment managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Solicitors	Knights LLP Rivergate House Newbury Business Park London Road Newbury RG14 2PZ

Trustees' report Year to 31 August 2022

The trustees present their statutory report together with the accounts of Douai Abbey Trust ("the charity") for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 27 to 32 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of St Edmund of the English Benedictine Congregation of the Order of St Benedict (the "Community"), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational and pastoral and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as "The Trustees of Douai Abbey" by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- ◆ The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- ◆ Caring for members of the Community including those who are older and/or frail;
- ◆ The provision of education in the broadest sense and the education of new members of the Community training for the monastic life;
- ◆ The provision of social and pastoral work, particularly in the field of hospitality; and
- ◆ Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under "Mission", the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into a number of principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

♦ **Formal Divine Service and other services in the Abbey Church**

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The masses on Sunday and on feast days are well attended by parishioners and by others from further afield. At other times, the Church is open and visitors may come and pray by themselves. The church is also used by the diocese and by other churches in the area who do not have enough space for large celebrations.



The Abbey Church is a listed building (Grade 2*) and some people come to appreciate the architecture; guide books and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

In addition, regular concerts in the Abbey Church are organised by the monastic community and by outside organisations and enhance the cultural opportunities of the locality.

It is made clear to those who attend such concerts that the Abbey Church is a sacred space. This highlights the aims of the charity, even if visitors' primary reason for attending is to listen to the music. The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and formal gatherings to mark the end of the school year. Most of these events are made possible without a prescribed charge to the outside organisations.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Caring for members of the Community including those who are older and/or frail**

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, have been covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, as a consequence, they will assess how it affects the ministries of the individual members of the Community. They are aware of the financial implications for the charity's resources.

♦ **The provision of education**

The Community's work in the field of education is broad and includes the education of new members of the Community training for monastic life and Church Ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the Monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the pastoral programme of talks, and by offering retreats and courses for spiritual and theological renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which is another strand in the Community's educational outreach.

♦ **The provision of hospitality and pastoral work**

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees are currently carrying out a review of their suggested charges. The trustees consider that this is a clear and significant means by which the charity is able to discharge its duty of public benefit. While a majority of our guests are Roman Catholic, increasing numbers from other Christian denominations and other religions are also welcomed.

Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **The provision of hospitality and pastoral work** (continued)

Members of the Community continue to maintain and develop pastoral work in the parishes that are the responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parish Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which do not belong to the Community.

♦ **Members of the Community working elsewhere**

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches as well as supervising the formation of those students in training for the priesthood. He also serves the English Benedictine Congregation as its representative in Rome. The newly elected Abbot, Fr Paul Gunter, continues to work as Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

♦ **Donations to other organisations**

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

♦ **Protection of Children and Vulnerable Adults**

Like all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are fully committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS). The Safeguarding Representative for the Trust appointed in the previous year continues to work for the community. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level; she and the Abbot form the community's Child Protection Committee under the Religious Life Safeguarding Service, which is now responsible for safeguarding for virtually all the religious communities in England and Wales. Safeguarding appears as an agenda item on every trustee meeting and the Safeguarding Representative attends at least one meeting of the trust during the year.

As reported last year, the community, together with the other monasteries in the English Benedictine Congregation, had engaged the services of an American, non-religious organisation called Praesidium who compiled a report on the community's safeguarding policies and practice. The community spent a great deal of time during the year reviewing our policies so that we could achieve accreditation from this organisation. In January 2021 we received confirmation that we had been accredited but ongoing responsibility for this monitoring now comes under the Religious Life Safeguarding Service.

Investment policy

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2022 of £5,419,395 (2021 – £5,525,459).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term; the trustees have agreed a detailed investment policy that includes ethical guidelines with the investment managers which they take into account in their choice of securities. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as this can be practically established. With the help of our investment managers Ruffer LLP, the overall investment policy is to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees whose representatives meet with the investment managers regularly. For many years the trustees have welcomed the attendance of financial advisers to half of their regular meetings, that is three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisers can be found on page 1.

The charity also has several properties which are used to generate rental income and which are classified in the accounts as investment properties.

Achievements and performance

Review of activities

The abbatial election, mentioned in last year's report was held in May 2022. Father Paul Gunter, former parish priest of Alcester was elected for an eight year term. The community prepared for this election by a process of discernment, a series of monthly meetings in groups and three meetings of the whole community which was started in August 2021 and concluded in April 2022. It was felt by all the members that this had been a very fruitful exercise. Abbot Paul was already one of the trustees, but ex officio he now became chairman of the trustees. Abbot Geoffrey Scott, who had served three terms as abbot, a total of 24 years, took over Abbot Paul's position as parish priest of Alcester.

Abbot Paul Gunter and Father Oliver Holt, the elected delegate of the community, participated in the General Chapter of the English Benedictine Congregation which took place at Buckfast Abbey in July 2022. The chapter takes place every four years (although delayed in this case by Covid from 2021 to 2022) and addresses issues of concern to the monasteries of monks and nuns belonging to the Congregation. Through the process of preparation for the Chapter and increased communication between the monasteries, the whole community has become more aware of our contribution to the wider church and the lessons and support we can receive from each other.

Achievements and performance (continued)

Review of activities (continued)



Members of General Chapter - Buckfast Abbey - July 2022

◆ **Formal Divine Service and other services in the Abbey Church**

By its very nature the regular round of Divine Services in a monastery do not vary much from year to year. The pandemic gave rise to many restrictions on the ability of lay people and guests to participate, but attendance has been nearly back to its previous level.

Cameras and an enhanced sound system were installed during the previous year to enable live-streaming, and this has continued to be used for special occasions for the public, particularly for funerals and weddings and for the abbatial blessing of Abbot Paul.

◆ **Caring for older and frail members of the community**

One member of the community is resident in the monastery infirmary. The monk who acts as the infirmarian continues to take part in regular virtual meetings with other infirmarians and health professionals. He has taken the lead in dealing with our Covid procedures and during the year he has been in contact with the care manager of another religious community who has given us useful advice about equipment and procedures.

◆ **Our buildings and our environment**

There have been no significant building works during the year, apart from essential maintenance. We have continued to investigate the possibility of introducing a new heating system in the accommodation blocks which date from the 1960s. We hope to reduce our dependence on oil. Last year we reported that our telephone system was said to be near the end of its useful life and in fact it failed at the beginning of September 2022. We have now replaced and upgraded the system.

Achievements and performance (continued)

Review of activities (continued)

♦ **Our buildings and our environment** (continued)

Our two churches on site (the Abbey Church and the Parish Church) have been subject to Quinquennial Inspections in accordance with good practice and we have now asked the architect responsible for these inspections to undertake a similar inspection for the rest of our buildings

♦ **The provision of education**

No new members have joined the community during the year, but one junior monk has taken his first vows and has started his philosophical and theological studies at Blackfriars Hall, Oxford. One other member continues to pursue doctoral studies at St Mary's University, Twickenham. A few people are in touch with the community about the possibility of joining the community in the future.

The community produce a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School and other supporters. The most recent edition included articles by monks, friends, and independent scholars on such varied subjects as the Founding of Reading Abbey, Rome in the Pandemic, Bee-keeping, Who's afraid of the Antichrist?, the Anniversary of the Martyrdom of St Thomas Becket, the life of Louis Redmond-Howard, as well as obituaries and book reviews.

The English Benedictine Congregation has set up a Continuing Formation Commission which has organised various events for the monks and nuns of the Congregation. During the lockdown this commission continued a virtual series of talks given by monks and others which had begun in the previous year; this has meant that members of the community had an opportunity to join in discussion with other monks and nuns of the congregation in a way which has not happened before: one of the very few benefits arising from the new world of the pandemic. The community is fully committed to the idea that formation should continue through the life of a monk.

The trustees consider the monastery's archive and library to be part of its service to education. Researchers have now begun to return to use the archives. One archivist is employed to catalogue the archive and to assist researchers where necessary.

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of hospitality and pastoral work**

The Guest House has been open throughout the year and the number of guests has begun to return to pre-pandemic levels. The trustees normally provide statistics giving numbers of guest/nights with a comparative figure for the previous year, but the effect of the pandemic on the previous years would make such a comparison meaningless. The income from the Guest House totalled £117,185 (2021 £52,570).

Our monks have continued to serve in parishes in the Midlands and in Lancashire.



Investment performance

During the year to 31 August 2022, the charity's listed investments produced an income yield of 1.11% (2021 – 0.85%). The charity's listed investments rose in value during the year, giving rise to net investment gains of £171,197 (2021 – gains of £620,067) on the portfolio. The capital yield on the portfolio during the year showed a rise in value of 4.6% (2021 – 13.8%).

Investment properties produced rental income of £127,587 (2021 – £110,346) during the year.

Financial report for the year

Results for the year

A summary of the results for the year can be found on page 24 of the attached accounts.

Total income for the year amounted to £652,173 compared to £483,205 in the prior year. Donations and legacies amount to £321,861 compared to £206,395. The total figures include donations of £18,110 (2021 - £22,943) being monies restricted in their use and mainly raised towards the future costs of maintaining the library archives. Income from charitable activities i.e. retreat house income and related receipts increased to £128,596 (2021 – £58,490) as did income from visitors and other trading activities to £8,318 (2021 – £nil). Income from listed and property investments, together with interest receivable, amounted to £181,398 (2021 – £150,910).

Expenditure amounted to £933,847 compared to £795,808 in 2021. The cost of raising funds decreased by £6,805 to £67,347 (2021 – £74,152), the costs in relation to supporting members of the Community and their ministry increased to £866,500 (2021 – £721,656). The increase is due to increases in the cost of premises and pastoral activities.

The net expenditure for the year before investment gains and foreign exchange gains was £281,674 (2021 – net expenditure of £312,603). The net investment gains totalled £768,697 (2021 – £620,067) in respect to listed investments and investment properties. Foreign exchange losses totalled £19,771 (2021 – gains of £44,462). When these net losses/gains are accounted for, the overall impact on the charity's funds is an increase of £467,252 for the year (2021 – increase of £351,926).

At their meeting in June 2022 the trustees commissioned a financial report from Steven Little, a chartered accountant and former bursar of Winchester College to look at the financial position of the trust and make some suggestions about the way forward. This report was presented to the trustees in October 2022.

Financial impact of Covid-19

Last year the trustees reported on the impact of lock-down and general concern about the pandemic. The occupation level of the Guest House has almost returned to normal and other activities like the sale of books and other articles in the shop have consequently recovered to some extent, although they have not yet returned to pre-pandemic levels.

Financial report for the year (continued)

Reserves policy and financial position

Reserves policy

As explained above, the charity carries out a diverse range of activities, some of which comprise short term and externally funded projects whilst others comprise long term projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to a minimum of 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate sufficient returns investment income to fund recurring expenditure. The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds £15,976,074 (2021 – £15,508,822).

These funds include an amount of £155,992 (2021 – £138,796) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 17 to the accounts together with an analysis of movements in the year.

The tangible fixed assets fund equal to the net book value of the tangible fixed assets and amounting to £6,367,361 (2021 – £6,540,218) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Funds totalling £5,150,000 (2021 – £5,150,000) have been designated, or set aside, by the trustees for specific purposes as follows:

- ♦ An amount of £4,150,000 (2021 – £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- ♦ £1,000,000 (2021 – £1,000,000) has been set aside towards the cost of future improvements to, and maintenance of, the charity's freehold properties.

Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 18 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2022 total £4,302,721 (2021 – £3,679,808).

Financial report for the year (continued)

Reserves and policy and financial position (continued)

Financial position (continued)

The trustees consider that this level of free reserves is appropriate despite it being slightly higher than the amount set out in the charity's reserves policy above. The trustees are of this opinion that this is both acceptable and prudent given the volatility in world stock markets at the present time and the other political and economic uncertainties resulting from the global Covid-19 pandemic and because of the current cost of living crisis, particularly the cost of energy and food. They also accept that in the years ahead, members of the Community may require increasing and increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2021 – £4,150,000) described above may prove to be inadequate. It is the intention of the trustees to increase the fund over time. The trustees, therefore, consider free reserves to be adequate but not excessive, but they will keep this matter under review.

Raising funds

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

Future plans

The trustees intend to continue to follow up the recommendations of Steven Little's financial report which was presented to them in October 2022. They are planning to increase the Guest House charges in April 2023. As part of this review exercise, it is intended to consult an experienced and successful fundraiser with a view to restructuring and enhancing our fundraising activities, recognising that effective fundraising is essential to the Community's well-being and future work.

The trustees will be encouraging the Community to think about its future and to determine what it stands for and what particular contribution it can make to the Church and to Society. The trustees want it to be clear to any newcomers or enquirers what our values are and how we can best fulfil their hopes and needs.

Governance, structure and management

Governance

Douai Abbey is an autonomous monastery of the Roman Catholic English Benedictine Congregation. The conduct and administration of the monastery is subject to the Constitutions of the English Benedictine Congregation and to the precepts of the Code of Canon Law of the Roman Catholic Church.

In terms of civil law the charity is governed by a trust deed dated 22 September 1934 and is a registered charity – Charity Registration No 236962. The trustees of the Abbey are the Abbot and the members of his Council. The members of the Abbot's Council are each year partly appointed by the Abbot himself from members of the Community and partly elected by the monks of the Abbey.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly quarterly or so, the trustees are involved on a daily basis with the work of the charity, live within the Abbey itself or in its parishes, and meet and interact on a frequent basis. As members of the monastic community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members. The trustees seek advice from professional advisers where necessary on legal, accounting, property and other issues. In addition, a voluntary advisory group of professionals of varied financial experience advises the trustees on investment policy and strategic development. The bursar attends external meetings and conferences during the year which enable him to keep up to date with developments of interest to the charity and to the sector as a whole. He has attended more virtual webinars and conferences since the lockdown began. The Abbot is also involved in other trusts and attends meetings with other religious superiors during the year. Other trustees are encouraged to attend relevant and appropriate courses and conferences so as to enable them to continue to be aware of their responsibilities and developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details on page 1 of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2022 are given below:

Rt Revd P Gunter OSB, BD, SL.L, SL.D

Abbot of Douai and chairman of the trustees since May 2022. Formerly Parish Priest of Alcester since 2016 and Secretary of the Department of Christian Life and Worship to the Catholic Bishop's Conference of England and Wales since 2012. Consulter to the Office of the Liturgical Celebrations of the Supreme Pontiff, Vatican City 2018-2013. Visiting Professor, Pontifical Athenaeum Regina Apostolorum, Rome 2008-2015, Professor at the Pontifical Institute of Liturgy, Rome 2006-2016. Further Studies, Rome 2002-2006. Parish Priest, Studley 1999-2002 and Trustee of Douai Abbey Parishes Trust. Member, Council of Priests, Diocese of Clifton 1995-1999; assistant priest, school chaplain, hospital chaplain, Cheltenham 1992-1999.

Governance, structure and management (continued)

Governance (continued)

Revd Gabriel Wilson BA

Before joining the Douai community in 2008 he was a Teacher of English, Head of Department and Advanced Skills Secondary School Teacher for 17 years. Father Gabriel is Prior and Novice Master. He has directed the Abbey's Pastoral Programme, led retreats, coordinated the Abbey's Alongside Programme for those exploring monastic life, and has been Parish Priest of St Mary's Woolhampton. He is also an Associate Governor of a Primary School in Thatcham and looks after the Douai Abbey apiary, advocating locally adapted bees and treatment-free beekeeping.

Revd A Hood MA, PhD, PGCE, AdvDip Couns

Prior of Douai Abbey from September 2014 until June 2021. Teacher at Douai School, 1992 - 1995, served on the Douai parish of Ormskirk, 1995 - 2002, (during which time he was a trustee of the Douai Abbey Parishes Trust), Novice Master, 2002-2021 and Choirmaster at Douai since 2002. He was formerly a trustee of the charity from 1998 until 2006. He is on the editorial board of the Douai Magazine and since September 2022 has been Parish Priest of the Douai Abbey parish.

Revd T J Holt MA

Teacher of English in Douai School 1977 - 1999, housemaster 1982 - 1999, Bursar of Douai Abbey since 2005, trustee since 1997, trustee of Priors Court School 2005 – 2014, trustee of Lejeune Clinic for children with Down's Syndrome 2006 - 2016, trustee of Friends of Newbury Spring Festival 2008 - 2018, member of Association of Provincial Bursars. Trustee of Downside Abbey 2016 – 2019.

Revd A Somerville Knapman OSB, MPhil, MA (Theol), STB, BA

Joining the monastery in early 2001, he was ordained a priest in April 2007 after studying in Oxford and Rome. His recently completed theological research at Bristol University was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney and worked in education and then in a civilian role in communications for the New South Wales Police in Sydney, Australia. Currently he serves as the parish priest of Scarisbrick in Lancashire and is the Community webmaster. He is engaged in doctoral studies and undertakes various publishing projects for the Community under the imprint of The Weldon Press. This year the Press published an historical guide to one of our parishes and will be publishing a biography in the coming year. He is on the editorial board of the Douai Magazine.

The Douai Abbey trustees have a number of financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings.

Governance, structure and management (continued)

Governance (continued)

Margaret Chin-Wolf is a ICF Certified coach, a Meyler Campbell trained business and leadership coach and a graduate of the FT Non-Executive Director Diploma. An economist and barrister by training, she was also a portfolio manager, investment analyst and strategist for 32 years. She was Governor of the University of Winchester from 2014 to 2021 and of the Pilgrims' School from 2012 to 2022.

Denis Murtagh is a chartered accountant. Now retired, he spent most of his career with KPMG, one of the largest global accounting and advisory firms, where he was a tax adviser.

Dr Ralph Townsend was Headmaster of Winchester College from 2005 to 2016. He was President of Keio Academy of New York and Special Adviser to the President of Keio University 2017 – 2021 and Chairman of The Prep Schools Trust 2017 – 2022. He has been Director of an educational consultancy, Winton Consult Limited, since 2017, engaged in advisory service on school governance, management and curriculum in Europe and USA.

Kate Burke (Safeguarding Representative) was a social worker for 42 years. She undertook advanced training in Child Protection (Safeguarding). She delivered training over many years at Thames Valley Police College Sulhampstead to Police and Social Services (until 2014). She served for 15 years on Portsmouth Diocese Safeguarding Commission (until 2019)

Kate currently works with the diocese of Southwark, Westminster and Portsmouth and undertakes critical assessments for the Catholic Safeguarding Advisory Service. She is attending a nine-month on-line course on the Theology of Safeguarding.

Trustees' responsibilities statement

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

Governance, structure and management (continued)

Trustees' responsibilities statement (continued)

- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management

The trustees consider that they together with the Bursar comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees and the Bursar are all members of the Community and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or as senior management.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments with regard to the charity or its activities and make any important decisions.

As stated above, when necessary, the trustees seek advice and support from the charity's professional advisers, e.g. property consultants, investment managers, solicitors and accountants. For some matters the constitutions of the English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

Working with other organisations

The Community is responsible for the administration of several Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity – the Douai Abbey Parish Trust (Registered Charity No: 1063237). Three of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parish Trust. Details of transactions between the two charities are given in the notes to the accounts.

Governance, structure and management (continued)

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and have done so after having regard to the effects of the unprecedented Covid-19 pandemic. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key staff, disaster recovery and reputational risk.

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

- ◆ **Loss of key management (Abbot, Bursar etc)**
The trustees are aware that they are very dependent on certain key people and the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the load of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Abbey is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties.
- ◆ **Failure to recruit and retain new members**
The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.
- ◆ **Dependence on returns from investments rather than operations**
The charity relies to a large extent on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, taking into account current and future political and economic uncertainties. As explained in "Reserves Policy" on page 11, the charity's reserves policy reflects the need to hold investments in order to generate investment returns to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees have monitored the charity's investment carefully during the current Covid-19 pandemic and have maintained a regular dialogue with the charity's investment managers, Ruffer LLP.
- ◆ **Safeguarding and other reputational issues**
These are addressed under relevant policies on page 5.

Trustees' report Year to 31 August 2022

Employees, volunteers and members of the Community

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

Approved by the trustees and signed on their behalf by:

Paul C.F.Gunter
Trustee

Approved by the trustees on: 18 May 2023

Independent auditor's report to the trustees of Douai Abbey Trust

Opinion

We have audited the accounts of Douai Abbey Trust (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

In preparing the accounts, the trustees are responsible for assessing the 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

How the audit was considered capable of detecting irregularities including fraud

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

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

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

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

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

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

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

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

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

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

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

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the 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.

Independent auditor's report Year to 31 August 2022

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

18 May 2023

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

Statement of financial activities Year to 31 August 2022

	Notes	Un-restricted funds £	Restricted funds £	2022 Total funds £	Un-restricted funds £	Restricted funds £	2021 Total funds £
Income from:							
Donations and legacies	1	303,751	18,110	321,861	183,452	22,943	206,395
Charitable activities	2	128,596	—	128,596	58,490	—	58,490
Other trading activities	3	8,318	—	8,318	—	—	—
Investments and interest receivable	4	181,398	—	181,398	150,910	—	150,910
Other sources							
. Coronavirus Job Retention Scheme grants		—	—	—	55,405	—	55,405
. Miscellaneous income		12,000	—	12,000	12,005	—	12,005
Total income		634,063	18,110	652,173	460,262	22,943	483,205
Expenditure on:							
Raising funds	5	67,347	—	67,347	74,152	—	74,152
Charitable activities							
. Support of members of the Community and their ministry	6	865,586	914	866,500	721,010	646	721,656
Total expenditure		932,933	914	933,847	795,162	646	795,808
Net (expenditure) income before (losses) gains on foreign exchange and investments	9	(298,870)	17,196	(281,674)	(334,900)	22,297	(312,603)
Other recognised gains and losses							
Gains on the revaluation of investment properties	14	597,500	—	597,500	—	—	—
Forward exchange losses	14	(19,771)	—	(19,771)	44,462	—	44,462
Gains on the revaluation and disposal of listed investments	14	171,197	—	171,197	620,067	—	620,067
Net income and net movement in funds		450,056	17,196	467,252	329,629	22,297	351,926
Reconciliation of funds:							
Fund balances brought forward at 1 September 2021		15,370,026	138,796	15,508,822	15,040,397	116,499	15,156,896
Fund balances carried forward at 31 August 2022		15,820,082	155,992	15,976,074	15,370,026	138,796	15,508,822

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

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

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets:					
Tangible assets	13		6,367,361		6,540,218
Investments	14		9,352,011		8,864,866
			15,719,372		15,405,084
Current assets:					
Stocks		16,809		17,982	
Debtors	15	161,239		13,171	
Cash at bank and in hand		118,323		114,960	
		296,371		146,113	
Liabilities:					
Creditors: amounts falling due within one year	16	(39,669)		(42,375)	
Net current assets			256,702		103,738
Total net assets			15,976,074		15,508,822
The funds of the charity:					
Restricted funds	17		155,992		138,796
Unrestricted funds					
. General fund			4,302,721		3,679,808
. Designated funds	18		5,150,000		5,150,000
. Tangible fixed asset fund	19		6,367,361		6,540,218
Total charity funds			15,976,074		15,508,822

Approved by the trustees and signed on their behalf by:

Paul C.F.Gunter
Trustee

Approved on: 18 May 2023

Statement of cash flows Year to 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(419,323)	(202,309)
Cash flows from investing activities:			
Investment income including rent received		180,379	150,861
Purchase of tangible fixed assets		(19,477)	(14,776)
Proceeds from the disposal of listed investments		3,598,602	2,394,356
Net (cost of) proceeds from settlement of foreign exchange contracts		(15,485)	58,808
Purchase of listed investments		(3,313,955)	(2,055,637)
Net cash provided by investing activities		430,064	533,612
Change in cash and cash equivalents in the year		10,741	331,303
Cash and cash equivalents at 1 September 2021		722,731	391,428
Cash and cash equivalents at 31 August 2022	B	733,472	722,731

Notes to the statement of cash flows for the year to 31 August 2022.

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	467,252	351,926
Adjustments for:		
Depreciation charge	192,334	194,924
Net gains on foreign exchange contracts and investments	(748,926)	(664,529)
Investment income including rent receivable	(181,398)	(150,910)
Decrease (increase) in stocks	1,173	(85)
(Increase) decrease in debtors	(147,052)	58,577
(Decrease) increase in creditors	(2,706)	7,788
Net cash used in operating activities	(419,323)	(202,309)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	118,323	114,963
Cash held by investment managers	615,149	607,768
Total cash and cash equivalents	733,472	722,731

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

Principal accounting policies 31 August 2022

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2022 with comparative information provided in respect to the year to 31 August 2021.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income and estimating the amount to be received;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ estimating the fair value of investment properties;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income including the surplus on disposal of land and tangible fixed assets.

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

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

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

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

Income recognition (continued)

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

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

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

Any surplus (or deficit) on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Income from the Government's Coronavirus Job Retention Scheme is recognised when the charity has made a valid claim for the income, the amount can be measured and it is entitled to receive the income.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

a. Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis.

Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

b. Other tangible fixed assets

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Plant, furniture and equipment – 5% to 20% per annum based on cost
- ◆ Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Fixed asset investments

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

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally on 27 February 2023 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

Fixed asset investments (continued)

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

Foreign currencies

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

Services provided by members of the Community

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

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Donations	71,933	18,110	90,043	11,325	22,943	34,268
Legacies	67,740	—	67,740	24,500	—	24,500
Collections and offertory	47,419	—	47,419	31,616	—	31,616
Amount receivable from parishes administered by Douai Abbey	51,272	—	51,272	51,598	—	51,598
Pensions and other income of individual religious received under deed of covenant	65,387	—	65,387	64,413	—	64,413
Total funds	303,751	18,110	321,861	183,452	22,943	206,395

2 Income from: Charitable activities

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Sales of religious books and artefacts	5,839	—	5,839	2,980	—	2,980
Retreat house and related income	117,185	—	117,185	52,570	—	52,570
Other	5,572	—	5,572	2,940	—	2,940
Total funds	128,596	—	128,596	58,490	—	58,490

3 Income from: Other trading activities

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Visitors for non-religious purposes	6,292	—	6,292	—	—	—
Other	2,026	—	2,026	—	—	—
Total funds	8,318	—	8,318	—	—	—

4 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Income from listed investments and National Savings Bonds						
. UK equities	15,592	—	15,592	16,366	—	16,366
. Overseas equities	27,090	—	27,090	20,277	—	20,277
. Government bonds	11,097	—	11,097	3,914	—	3,914
	53,779	—	53,779	40,557	—	40,557
Income from investment property						
. Rental income	127,587	—	127,587	110,346	—	110,346
Interest receivable	—	—	—	7	—	7
Exchange on gains on investments	32	—	32	—	—	—
Total funds	181,398	—	181,398	150,910	—	150,910

5 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Investment property expenses	3,933	—	3,933	12,379	—	12,379
Investment manager's fees	61,765	—	61,765	59,011	—	59,011
Other	1,649	—	1,649	2,762	—	2,762
Total funds	67,347	—	67,347	74,152	—	74,152

6 Expenditure on: Support of members of the Community and their ministry

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Staff costs (exc. pastoral activities)	184,317	—	184,317	197,800	—	197,800
Depreciation	192,334	—	192,334	194,924	—	194,924
Living and personal costs	161,713	—	161,713	131,420	—	131,420
Premises	209,897	—	209,897	150,403	—	150,403
Pastoral activities (inc. staff costs)	57,368	914	58,282	23,331	646	23,977
Governance (note 7)	37,780	—	37,780	14,259	—	14,259
Donations (note 8)	10,781	—	10,781	3,698	—	3,698
Other	11,396	—	11,396	5,175	—	5,175
Total funds	865,586	914	866,500	721,010	646	721,656

7 Governance

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Professional fees	5,341	—	5,341	3,399	—	3,399
Legal fees	21,794	—	21,794	—	—	—
Auditor's remuneration	10,645	—	10,645	10,860	—	10,860
Total funds	37,780	—	37,780	14,259	—	14,259

8 Donations

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Voluntary Service Overseas	1,000	—	1,000	—	—	—
Cardinal Hume Centre	1,000	—	1,000	—	—	—
Aid to the Church in Need	5,000	—	5,000	—	—	—
Society for the Protection of Unborn Children	1,000	—	1,000	—	—	—
Donations of less than £1,000 each	2,781	—	2,781	3,698	—	3,698
	10,781	—	10,781	3,698	—	3,698

9 Net (expenditure) income before (losses) gains on foreign exchange and investments

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2022 Total funds £	Unrestricted funds £	Restricted funds £	2021 Total funds £
Staff costs (note 10)	211,204	—	211,204	195,960	—	195,960
Auditor's remuneration						
. Statutory audit services	10,645	—	10,645	10,860	—	10,860
Depreciation	192,334	—	192,334	194,924	—	194,924

10 Employees and staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	187,921	176,474
Social security costs	15,635	12,616
Other pension costs	7,648	6,870
	211,204	195,960

No employee earned in excess of £60,000 per annum (including taxable benefits) or more during the year (2021 – none).

The average number of employees during the period was 13 (2021 – 14).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the Bursar. They received no remuneration or reimbursement of expenses in connection with their duties during the year (2021 – £nil).

11 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2021 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £19,147 (2021 – £18,535).

12 Taxation

Douai Abbey Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities or tax on capital gains, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Freehold land and buildings £	Plant, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2021	9,347,196	270,839	25,849	9,643,884
Additions	—	7,557	11,920	19,477
Disposals	—	—	(5,195)	(5,195)
At 31 August 2022	<u>9,347,196</u>	<u>278,396</u>	<u>32,574</u>	<u>9,658,166</u>
Depreciation				
At 1 September 2021	2,918,571	166,895	18,200	3,103,666
Charge for year	171,410	17,281	3,643	192,334
Eliminated on disposals	—	—	(5,195)	(5,195)
At 31 August 2022	<u>3,089,981</u>	<u>184,176</u>	<u>16,648</u>	<u>3,290,805</u>
Net book values				
At 31 August 2022	<u>6,257,215</u>	<u>94,220</u>	<u>15,926</u>	<u>6,367,361</u>
At 31 August 2021	<u>6,428,625</u>	<u>103,944</u>	<u>7,649</u>	<u>6,540,218</u>

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

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

14 Fixed asset investments

At 31 August 2022 fixed asset investments comprised:

	2022 £	2021 £
Freehold investment property (see a below)	3,940,000	3,342,500
Listed investments and cash held for re-investment (see b below)	5,419,390	5,525,459
Foreign exchange contracts (see c below)	(7,379)	(3,093)
	<u>9,352,011</u>	<u>8,864,866</u>

Movements on each category of investment are summarised below.

a. Freehold investment property

	2022 £	2021 £
Fair (market) value at 1 September 2021	3,342,500	3,342,500
Revaluation gains in the year	597,500	—
Fair (market) value at 31 August 2022	<u>3,940,000</u>	<u>3,342,500</u>

14 Fixed asset investments (continued)

a. Freehold investment property (continued)

The investment properties were purchased many years ago and accurate cost figures for the properties are not available without considerable research. The trustees are of the opinion that the cost and time involved in such an exercise is not commensurate with the value to be obtained from ascertaining such information.

The charity's freehold investment properties are included at fair value based on open market value. They were re-valued formally on 27 February 2023. The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book").

b. Listed investments and cash held for re-investment

	2022 £	2021 £
Listed investments		
Fair (market) value at 1 September 2021	4,917,691	4,636,343
Additions at cost	3,313,955	2,055,637
Disposals at book value (proceeds: £3,598,602 losses: £35,645)	(3,634,247)	(2,106,290)
Net unrealised investment gains	206,842	332,001
Fair (market) value at 31 August 2022	4,804,241	4,917,691
Cash held by investment managers for re-investment	615,149	607,768
	5,419,390	5,525,459
Cost of listed investments at 31 August 2022	4,291,120	4,487,466

All listed investments were dealt in on recognised stock exchanges.

Listed investments held at 31 August 2022 comprised the following:

	2022 £	2021 £
UK equities	285,464	885,272
Overseas equities	542,254	1,167,582
Government bonds	2,682,150	1,965,506
Alternatives	1,294,373	899,331
	4,804,241	4,917,691

14 Fixed asset investments (continued)

b. Listed investments and cash held for re-investment (continued)

At 31 August 2022, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Market value £	Percentage %
Ruffer Illiquid Multi Strategies Fund 2015 Ltd	519,937	10%
UK (Govt of) 2.5% I/L 17/07/2024	429,361	8%
UK (Govt of) 0.125% I/L 22/03/2024	436,284	8%
Ruffer SICAV Fixed Income Z GBP Cap	1,362,690	25%
Ruffer Protection Strategies International z GBP	455,703	8%

c. (Losses) gains on foreign exchange contracts for the year ended 31 August 2022 consisted of the following:

	2022 £	2021 £
Foreign exchange contracts		
Fair value gains (losses) on unsettled contracts brought forward	3,093	(11,253)
Fair value (losses) gains on settlement	(15,485)	58,808
Fair value losses on unsettled contracts carried forward	(7,379)	(3,093)
Total (losses) gains on foreign exchange contracts	(19,771)	44,462

15 Debtors

	2022 £	2021 £
Investment income and interest receivable	2,002	986
Gift Aid recoverable	4,120	2,913
Legacies receivable	92,358	1,000
Prepayments	5,133	—
Other debtors and accrued income	37,626	8,272
Loan to Douai Abbey Parishes Trust (see below)	20,000	—
	161,239	13,171

On 13 February 2020, the trustees signed a loan agreement with Douai Abbey Parishes Trust (see note 21) to loan funds to one of the parishes accounted for within the Douai Abbey Parishes Trust to be applied towards the refurbishment of a parish hall. The maximum amount to be advanced by the charity was £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum. Subsequent to the year end, the trustees have agreed to advance a further £8,000 to Douai Abbey Parishes Trust on similar terms.

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Expense creditors and accruals	37,288	41,112
VAT payable	2,381	1,263
	39,669	42,375

17 Restricted funds

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

	At 1 September 2021 £	Income £	Expenditure £	Transfers £	At 31 August 2022 £
Library Archives Fund	137,850	18,110	(914)	—	155,046
Other restricted fund	946	—	—	—	946
	138,796	18,110	(914)	—	155,992

	At 1 September 2020 £	Income £	Expenditure £	Transfers £	At 31 August 2021 £
Library Archives Fund	115,553	22,943	(646)	—	137,850
Other restricted fund	946	—	—	—	946
	116,499	22,943	(646)	—	138,796

The specific purposes for which the funds are to be applied are as follows:

- ◆ Library Archives Fund
This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.
- ◆ Other restricted fund
This fund represents monies received for one off specific purposes.

18 Designated funds

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

	At 1 September 2021 £	New designations £	Utilised/ released £	At 31 August 2022 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	1,000,000	—	—	1,000,000
	5,150,000	—	—	5,150,000

	At 1 September 2020 £	New designations £	Utilised/ released £	At 31 August 2021 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	450,000	550,000	—	1,000,000
	4,600,000	550,000	—	5,150,000

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement. It has been calculated using actuarial principles and will be reviewed regularly by the trustees in the light of the resources available and likely to be required.

The Development Fund comprises money set aside for future projects.

19 Tangible fixed assets fund

	£
At 1 September 2021	6,540,218
Movement in year	(172,857)
At 31 August 2022	6,367,361

	£
At 1 September 2020	6,720,366
Movement in year	(180,148)
At 31 August 2021	6,540,218

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

20 Analysis of net assets between funds

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	—	—	6,367,361	—	6,367,361
Investments	4,202,011	5,150,000	—	—	9,352,011
Net current (liabilities) assets	100,710	—	—	155,992	256,702
Total net assets	4,302,721	5,150,000	6,367,361	155,992	15,976,074

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	—	—	6,540,218	—	6,540,218
Investments	4,264,866	4,600,000	—	—	8,864,866
Net current (liabilities) assets	(35,058)	—	—	138,796	103,738
Total net assets	4,229,808	4,600,000	6,540,218	138,796	15,508,822

The total unrealised gains constitute movements on revaluation and as at 31 August 2022, excluding those relating to forward exchange contracts (see note 14c), they were as follows:

	2022 £	2021 £
Unrealised gains (losses) included above:		
On investment properties	1,340,000	742,500
On listed investments	513,121	430,225
Total unrealised gains at 31 August 2022	1,853,121	1,172,725
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2021	1,172,725	986,326
Less: in respect of disposals in the year	(123,946)	(145,602)
	1,048,779	840,724
Add: net gains arising on revaluation arising in the year	804,342	332,001
Total unrealised gains at 31 August 2022	1,853,121	1,172,725

21 Related party transactions

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) by virtue of the fact that both charities have a number of trustees in common.

During the year rent of £12,000 (2021 – £12,000) for the use of St Mary's Church was received by Douai Abbey Trust from Douai Abbey Parishes Trust.

On 13 February 2020 the trustees signed a loan agreement Douai Abbey Parishes Trust to loan funds to the parish of Our Lady and St Joseph's, Alcester. The amount agreed to be loaned by Douai Abbey Trust was a maximum of £20,000. The full amount was drawn down by Douai Abbey Parishes Trust during September 2021. The loan is interest free and repayable over a period of five years, the first repayment becoming due two years after the completion of the work on the hall. Repayments will be due annually and amount to £4,000 per annum. Subsequent to the year end, the trustees have agreed to advance a further £8,000 to Douai Abbey Parishes Trust on similar terms. The amount receivable at 31 August 2022 was £20,000 (see note 15).



New Parish Hall at Alcester, partly funded by this loan.

Other than the donations received by trustees disclosed in note 10 to these accounts, there were no other related party transactions during the year which require disclosure (2021 – none).

Accounts



Douai Abbey Trust

Annual Report and Accounts

31 August 2021

Charity Registration Number
236962

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Reference and administrative information

Trustees	Rt Revd W G Scott OSB Revd A Hood OSB (retired 6 October 2021) Revd B Standish OSB (appointed 6 October 2021) Revd T Bowe OSB Revd A Somerville Knapman OSB Revd P Gunter OSB Revd T Holt OSB
Principal address	Douai Abbey Upper Woolhampton Reading RG7 5TQ
Telephone	0118 971 5300
Website	www.douaiabbey.org.uk
Charity registration number	236962
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc 30 Market Place Newbury RG14 5AJ
Investment managers	Ruffer LLP 80 Victoria Street London SW1E 5JL
Solicitors	Coffin Mew LLP Rivergate House Newbury Business Park London Road Newbury RG14 2PZ

Trustees' report Year to 31 August 2021

The trustees present their statutory report together with the accounts of Douai Abbey Trust ("the charity") for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 30 to 35 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Introduction

Douai Abbey, the Community of St Edmund of the English Benedictine Congregation of the Order of St Benedict (the "Community"), is situated at Upper Woolhampton, Reading, Berkshire. It comprises a community of monks engaged in educational and pastoral and other work.

The accounts accompanying this report are the accounts of the charitable trust on which the assets of the Community in England are held. The charity is governed by a trust deed dated 22 September 1934, and is registered under the Charities Act 2011, Charity Registration Number 236962.

The trustees are incorporated under the Charities Act 2011 as a body known as "The Trustees of Douai Abbey" by a certificate granted by the Charity Commissioners on 7 May 1999.

Mission

Douai Abbey Trust aims to support the religious and other charitable work carried on by the members of the Community. These ministries carried out by the monks, all of which benefit members of the general public, fall into the following main areas:

- ◆ The administration of the sacraments and maintenance of the Divine Service in the Abbey Church and in other parishes for which the Community has responsibility;
- ◆ Caring for members of the Community including those who are older and/or frail;
- ◆ The provision of education in the broadest sense and the education of new members of the Community training for the monastic life;
- ◆ The provision of social and pastoral work, particularly in the field of hospitality; and
- ◆ Supporting financially by the provision of donations, other organisations with objectives consistent with those of the charity.

Activities, specific objectives and relevant policies

Activities and specific objectives

As stated above under "Mission", the charitable activities of the Douai Abbey Trust are undertaken by the monastic community at Douai Abbey and can be divided into a number of principal areas. Each of these areas is discussed in further detail in the paragraphs which follow.

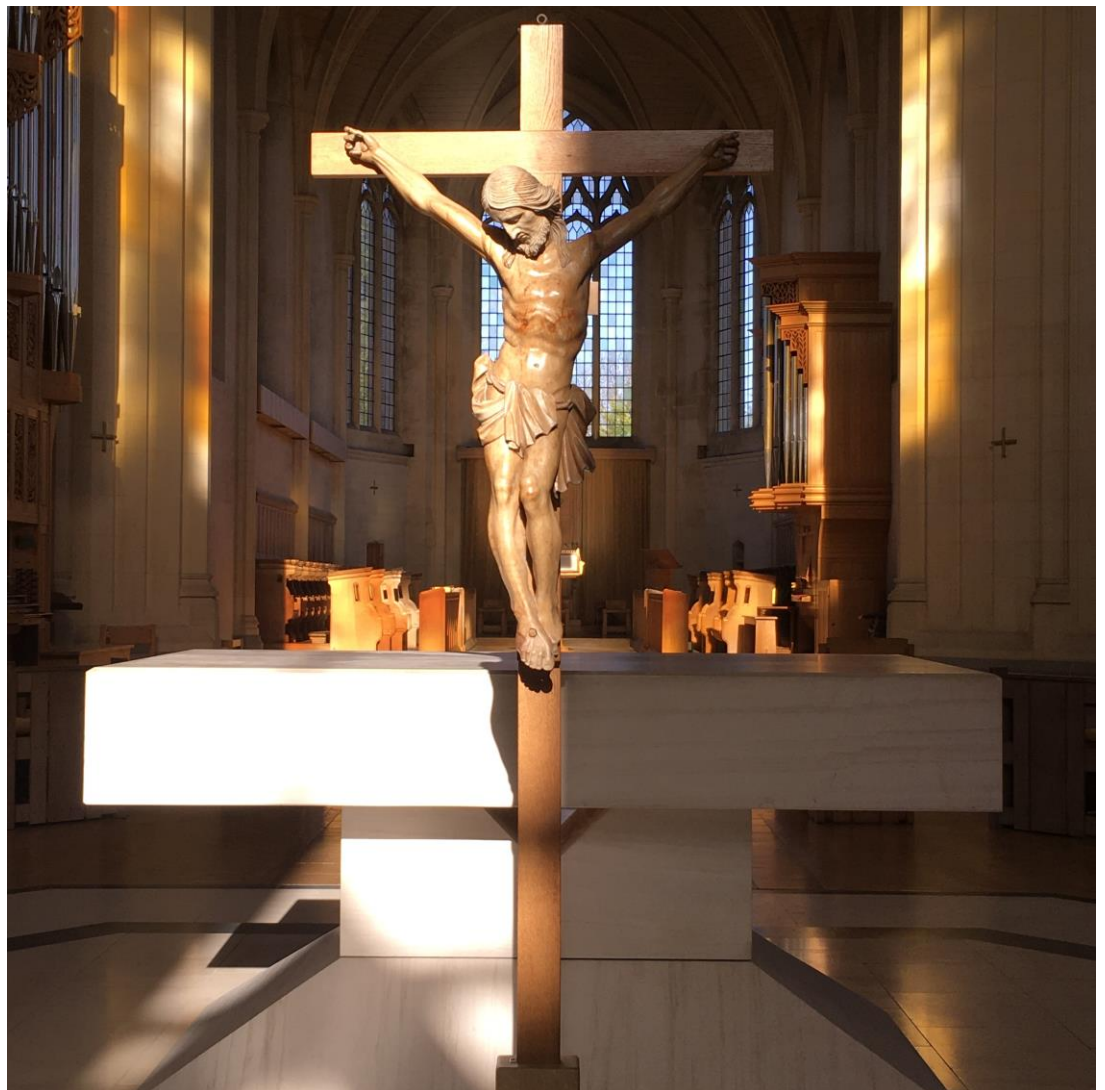
Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

In setting the charity's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

♦ **Formal Divine Service and other services in the Abbey Church**

The monks gather in the Abbey Church five times a day for formal services and visitors are always welcomed and invited to participate. The masses on Sunday and on feast days are well attended by parishioners and by others from further afield. At other times, the Church is open and visitors may come and pray by themselves. The church is also used by the diocese and by other churches in the area who do not have enough space for large celebrations.



Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Formal Divine Service and other services in the Abbey Church** (continued)

The Abbey Church is a listed building (Grade 2*) and some people come to appreciate the architecture; guide books and postcards are available. The trustees appreciate their responsibility to maintain the building to the highest standards.

In addition, regular concerts in the Abbey Church are organised by the monastic community and by outside organisations and enhance the cultural opportunities of the locality.

It is made clear to those who attend such concerts that the Abbey Church is a sacred space. This highlights the aims of the charity, even if visitors' primary reason for attending is to listen to the music. The Abbey Church is also used by local primary schools, both Catholic and non-Catholic, for various functions, including Christmas carol services and formal gatherings to mark the end of the school year. Most of these events are made possible without a prescribed charge to the outside organisations.

♦ **Caring for members of the Community including those who are older and/or frail**

The trustees are very conscious of their moral and legal obligation to care for the older and frailer members of the Community. None of the monks has resources or private income of his own since their earnings, gifts or donations, as well as their pensions, have been covenanted to the charity. As the Community's age profile increases, so too does the need to provide increasingly expensive care for the members. The trustees will continue to make this one of their priorities for the future and, as a consequence, they will assess how it affects the ministries of the individual members of the Community. They are aware of the financial implications for the charity's resources.

♦ **The provision of education**

The Community's work in the field of education is broad and includes the education of new members of the Community training for monastic life and Church Ministry, the education of young people in various ways through pastoral and chaplaincy work, and the education of adults by courses, lectures and university teaching.

In line with their vision for the future, members of the Monastic Community have in recent years moved from secondary into tertiary education by taking up teaching in university adult education programmes, by expanding adult education on site in the pastoral programme of talks, and by offering retreats and courses for spiritual and theological renewal. Furthermore, some monks publish books and articles in such disciplines as history and theology, which is another strand in the Community's educational outreach.

♦ **The provision of hospitality and pastoral work**

The Community is involved in the provision of hospitality and pastoral care by welcoming guests and visitors to the monastery; by serving parishes locally and further afield in Britain; by offering retreats and talks both within the Community's pastoral programme and elsewhere; by chaplaincy work especially in schools; by being available for spiritual direction and confession; by supplying priests to help in local parishes; or by other similar work on request.

Trustees' report Year to 31 August 2021

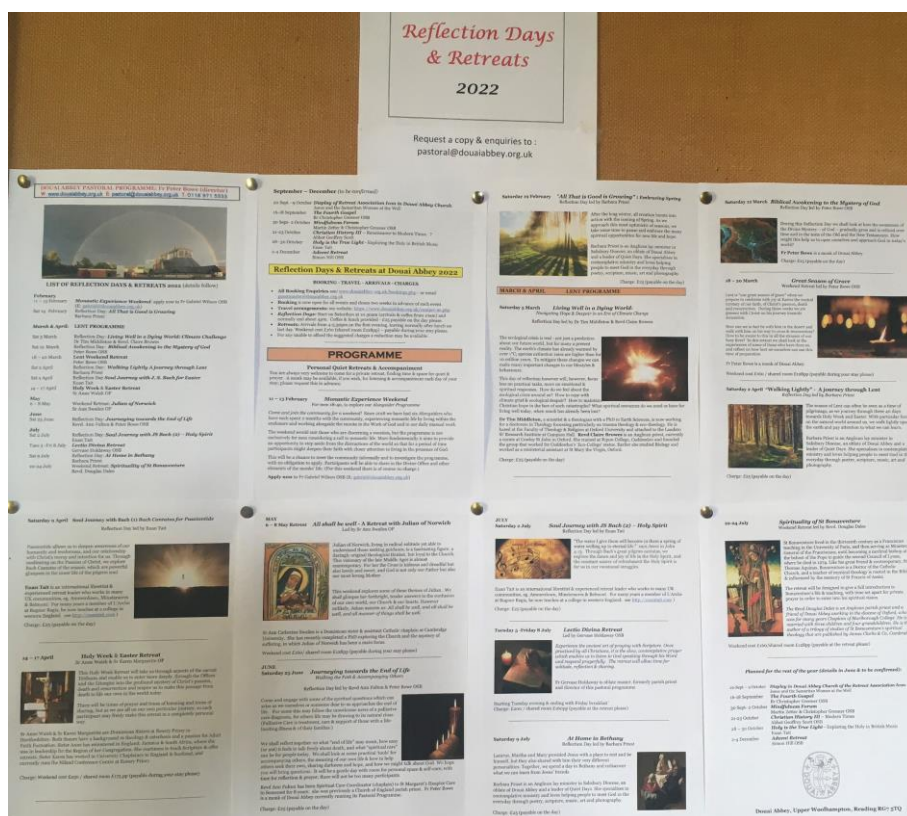
Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ The provision of hospitality and pastoral work (continued)

Although there is a list of suggested charges for the use of the guest facilities, it is made clear to guests that the monastery welcomes all who seek to share in our hospitality and that inability to pay is no obstacle to using the Community's facilities. In practice, most people pay the suggested rate and thus contribute to the income of the charity, but others give only what they can afford. The trustees consider that this is a clear and significant means by which the charity is able to discharge its duty of public benefit. While a majority of our guests are Roman Catholic, increasing numbers from other Christian denominations and other religions are also welcomed.

Members of the Community continue to maintain and develop pastoral work in the parishes that are the responsibility of the Community. There are two clusters of parishes, in Lancashire and in the South Midlands, the specific affairs of which are overseen by the separate Douai Abbey Parishes Trust. One member of the Community cares for the parish in the immediate area of the monastery. Two members of the Community are currently working in diocesan parishes which do not belong to the Community.



Activities, specific objectives and relevant policies (continued)

Activities and specific objectives (continued)

♦ **Members of the Community working elsewhere**

One member of the Community is currently working in Rome at the international Benedictine college of St Anselm, where he teaches as well as supervising the formation of those students in training for the priesthood. He also serves the English Benedictine Congregation as its representative in Rome. Another member is both parish priest of one of our parishes and Secretary of the Department of Christian Life and Worship of the Conference of Bishops of England and Wales.

♦ **Donations to other organisations**

When planning their budget at the beginning of the year, the trustees agree to set aside a certain amount for organisations whose work is consistent with the objects of the charity.

Protection of Children and Vulnerable Adults

Like all other organisations who serve in the community, the trustees recognise the absolute necessity of ensuring the protection and safety of all those the charity serves in any way. This means that members engaged in any ministry in Great Britain must obtain clearance from the Disclosure and Barring Service (DBS). The trustees are fully committed to implementing all policies and procedures of the Catholic Safeguarding Advisory Service (CSAS). During the year a new Safeguarding Representative for the Trust was appointed on the retirement of a member of the community who had previously filled this role. She is a retired child-care professional who has had extensive experience of safeguarding at a local and national level; she and the Abbot form the community's Child Protection Committee under the Safeguarding Commission of the Roman Catholic Diocese of Portsmouth. This arrangement is due to change in the near future when a new body, the Religious Life Safeguarding Service, will be responsible for safeguarding for virtually all the religious communities in England and Wales. Safeguarding appears as an agenda item on every trustee meeting and the Safeguarding Representative attends at least one meeting of the trust during the year.

As reported last year, the community, together with the other monasteries in the English Benedictine Congregation, has engaged the services of an American, non-religious organisation called Praesidium who have compiled a preliminary report on the community's safeguarding policies and practice. The community spent a great deal of time during the year reviewing our policies so that we could achieve accreditation from this organisation. In January 2021 we received confirmation that we have been accredited.

The Independent Inquiry into Child Sexual Abuse published its final report into the Catholic Church in November 2020. The Bishops of England and Wales responded by commissioning an independent review, called the Elliott Report, which was published in November 2020 and concrete proposals have now emerged and are being rapidly implemented. Father Abbot, as chair of the trustees and as a member of the Abbey's Safeguarding Committee, has attended a series of virtual meetings which accompanied the creation of a new overseeing body for all institutes of consecrated life in England and Wales (the Religious Life Safeguarding Service) which was formally launched during the year. The trustees are committed to implementing these proposals and to reviewing our policies as necessary.

Investment policy

The charity has a portfolio of listed investments which together with cash awaiting investment had a market value as at 31 August 2021 of £5,525,459 (2020 – £4,915,503).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects in the medium term; the trustees have agreed a detailed investment policy that includes ethical guidelines with the investment managers which they take into account in their choice of securities. According to the ethical policy, the trustees will not invest in companies which engage in activities which are contrary to the moral and social teaching of the Roman Catholic Church, in so far as this can be practically established. With the help of our investment managers Ruffer LLP, the overall investment policy is to maximise total return through a diversified portfolio, prioritising total return and portfolio growth over the provision of a pre-determined level of income.

The performance of the portfolio and the charity's investment strategy are reviewed by the trustees whose representatives meet with the investment managers regularly. For many years the trustees have welcomed the attendance of financial advisers to half of their regular meetings, that is three times a year. The trust's investment managers attend one of these meetings every year. Details of the advisers can be found on page 1.

The charity also has several properties which are used to generate rental income and which are classified in the accounts as investment properties.

Achievements and performance

Review of activities

♦ Formal Divine Service and other services in the Abbey Church

By its very nature the regular round of Divine Services in a monastery do not vary much from year to year. However, the pandemic has given rise to many restrictions on the ability of lay people and guests to participate. Occasionally the Abbey Church has had to be closed altogether, but the monks have continued to pray the offices without interruption, but with social distancing and sometimes without singing.

Cameras and an enhanced sound system have been installed during the year to enable live-streaming, but this has only been used for special occasions for the public and for relaying the services to members of the community who were isolating in their rooms.

♦ Caring for older and frail members of the community

In the previous year we reported that three members of the community had died, but there have been no deaths in the past year. One member of the community has now retired from our parish in Lancashire and is resident in the monastery infirmary. The monk who acts as the infirmarian continues to take part in regular virtual meetings with other infirmarians and health professionals. He has taken the lead in dealing with our Covid procedures.

Achievements and performance (continued)

Review of activities (continued)

◆ **Our buildings and our environment**

There have been no significant building works during the year, apart from essential maintenance. The lockdown meant that our maintenance engineer was furloughed, or partly furloughed, for some months of the year. We have continued to investigate the possibility of introducing a new heating system in the accommodation blocks which date from the 1960s. We are also looking to renew our telephone system which we have been told is near the end of its life.

We were delighted to discover that the lettering on the foundation stone of the monastery laid in 1964 was the work of a stone carver who had an important national reputation. His name was Ralph Beyer and had worked on other projects with our architect, Sir Frederick Gibberd. He also produced the enormous Tablets of the Word in Coventry Cathedral.



During the year we replaced one of the petrol cars with an electric vehicle and we installed two electric vehicle chargers, one for this community car and one for the use of guests some of whom have already made use of it.

◆ **The provision of education**

No new members have joined the community during the year, but one junior monk has taken his first vows and has started his philosophical and theological studies at Blackfriars Hall, Oxford.

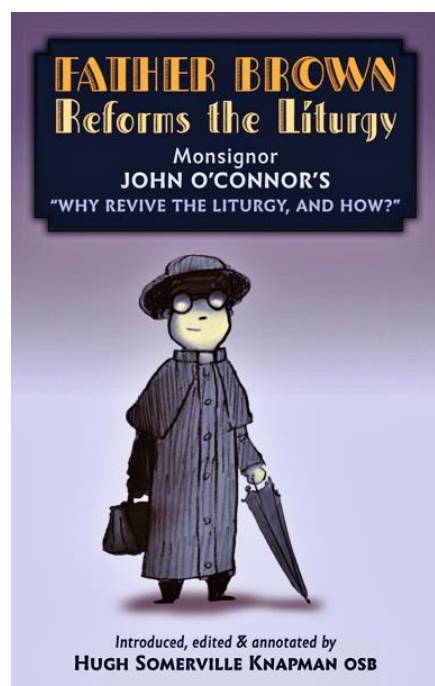
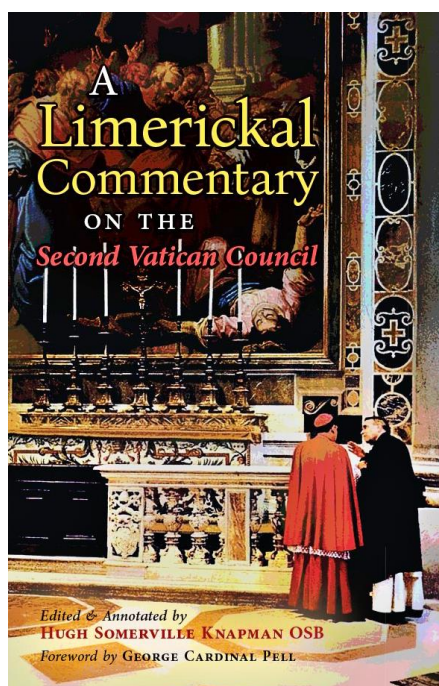
Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education** (continued)

The community produce a magazine every year which is distributed free of charge to visitors, parishioners, former pupils of Douai School and other supporters. The most recent edition included articles by monks, friends, and independent scholars on such varied subjects as Nuns' portraits, a centre of African crafts in Malawi, a pilgrimage to South India, the renovation of St Gregory's Church, Stratford-on-Avon, monastic bee-keeping, Cardinal Pell's treatment by the Australian legal system and a 16th century Carthusian's "List of Things"

Also published during the year have been two books by one of the monks.



The English Benedictine Congregation has set up a Continuing Formation Commission which has organised various events for the monks and nuns of the Congregation. During the lockdown this commission continued a virtual series of talks given by monks and others which had begun in the previous year; this has meant that members of the community had an opportunity to join in discussion with other monks and nuns of the congregation in a way which has not happened before: one of the very few benefits arising from the new world of the pandemic. The community is fully committed to the idea that formation should continue through the life of a monk.

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of education** (continued)

The trustees consider the monastery's archive and library to be part of its service to education. However, the lockdown has made it very difficult for researchers to visit in person. The Archivist has continued to prepare exhibitions on different subjects, often focussing on centenaries e.g. the martyrdom of Thomas Becket and the 150th anniversary of the Douai Society (the association of former pupils of Douai School). Work has been completed on the listing and description of the picture collection.

During the year we have received a large collection of books about Malta from a former pupil of our school.

♦ **The provision of hospitality and pastoral work**

The Guest House was closed at various times during the year, due to the pandemic. The trustees normally provide statistics giving numbers of guest/nights with a comparative figure for the previous year, but the effect of the pandemic on both years would make such a comparison meaningless. The income from the Guest House totalled £58,490 (2020 – £127,679).



Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of hospitality and pastoral work** (continued)

Despite the closures during the year, the community was able to invite people to participate in various on-line activities, including a Book Club, spiritual conferences and a series of talks during Holy Week.

Amidst the restrictions arising from the pandemic, our monks have continued to serve in parishes in the Midlands and in Lancashire.



Father Alexander, parish priest of St Gregory's, Stratford-upon-Avon with other members of Churches Together in Stratford at the celebrations for Shakespeare's Birthday in April 2021

Achievements and performance (continued)

Review of activities (continued)

♦ **The provision of hospitality and pastoral work** (continued)

During the year the Abbot and three other members of the community have been involved in the formal Visitations of four other monasteries of the English Benedictine Congregation. Our own community has also been the subject of Visitation. The reports from these Visitations are shared with the community and are also presented to the general Chapter of the Congregation, a four-yearly meeting which will be taking place at Buckfast Abbey in July 2022.

Investment performance

During the year to 31 August 2021, the charity's listed investments produced an income yield of 0.85% (2020 – 0.9%). The charity's listed investments rose in value during the year, giving rise to net investment gains of £620,067 (2020 – gains of £310,698) on the portfolio. The capital yield on the portfolio during the year showed a rise in value of 13.8% (2020 – 7.28%).

Investment properties produced rental income of £110,346 (2020 – £108,476) during the year.

Financial report for the year

Results for the year

A summary of the results for the year can be found on page 27 of the attached accounts.

Total income for the year amounted to £483,205 compared to £610,601 in the prior year. Donations and legacies amount to £206,395 compared to £257,965. The total figures include donations of £22,943 (2020 - £29,493) being monies restricted in their use and mainly raised towards the future costs of maintaining the library archives. Income from charitable activities i.e. retreat house income and related receipts decreased to £58,490 (2020 – £127,679) as did income from visitors and other trading activities to £nil (2020 – £10,888) following the temporary cessation of certain activities as a consequence of the Covid-19 pandemic. Income from listed and property investments, together with interest receivable, amounted to £150,910 (2020 – £148,448).

Expenditure amounted to £795,808 compared to £901,194 in 2020. The cost of raising funds increased by £14,371 to £74,152 (2020 – £59,781), the costs in relation to supporting members of the Community and their ministry decreased to £721,656 (2020 – £841,413). The decrease is due to a fall in the cost of premises and pastoral activities.

The net expenditure for the year before investment gains and foreign exchange gains was £312,603 (2020 – net expenditure of £290,593). The net investment gains totalled £620,067 (2020 – £310,698) in respect to listed investments. The properties held for investment were revalued in 2020 giving rise to an unrealised gain of £97,500 in that year. Foreign exchange gains totalled £44,462 (2020 - £47,966). When these net gains are accounted for, the overall impact on the charity's funds is an increase of £351,926 for the year (2020 – increase of £165,571).

Financial report for the year (continued)

Financial impact of Covid-19

Apart from the restrictions of lock-down and general concern about the pandemic which we share with everyone, there have been various financial implications for the Trust. The most significant effect was the loss of income from the Guest House, but the absence of visitors and the closure of the Abbey Church from March until August meant that there were no cash and gift-aid envelopes collections on Sundays and virtually no income from the Bookshop (which is located in the church). The loss of the collections was mitigated to some extent because many of our supporters, including those who attend services, give through standing orders. These have not been affected.

Many of the staff were furloughed during the previous year (from March 2020); but by the beginning of this year all staff had returned to work. The government's Coronavirus Job Retention Scheme was a great help to us financially. One member of the cleaning staff resigned during the furlough period and one other transferred to the catering staff. This has led to a reduction of the total wages bill. We now only employ one full-time housekeeper who is able to cope with the work, partly because we have reduced the numbers of guests staying at any one time.

Reserves policy and financial position

Reserves policy

As explained above, the charity carries out a diverse range of activities, some of which comprise short term and externally funded projects whilst others comprise long term projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, the level of free reserves should be equivalent to a minimum of 36 months expenditure. The trustees are of the opinion that this reflects the charity's reliance on investments to generate investment income to fund recurring expenditure. The policy also provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds £15,508,822 (2020 – £15,156,896).

These funds include an amount of £138,796 (2020 – £116,499) which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 17 to the accounts together with an analysis of movements in the year.

The tangible fixed assets fund equal to the net book value of the tangible fixed assets and amounting to £6,540,218 (2020 – £6,720,366) has been identified as a separate fund in recognition of the fact that such assets are required to enable the Community to carry out its charitable work and are not available to fund activities or meet future commitments.

Financial report for the year (continued)

Reserves and policy and financial position (continued)

Financial position (continued)

Funds totalling £5,150,000 (2020 – £4,600,000) have been designated, or set aside, by the trustees for specific purposes as follows:

- ♦ An amount of £4,150,000 (2020 – £4,150,000) has been designated to meet the costs of the care and welfare of members of the Community as they grow old or frail. The members are wholly dependent on the charity for their maintenance and care. The amount of funds set aside has been calculated using actuarial principles and will provide only modest amounts in the future.
- ♦ £1,000,000 (2020 – £450,000) has been set aside towards the cost of future improvements to, and maintenance of, the charity's freehold properties.

Further details of the purposes of the designated funds and an analysis of the movements on the funds are set out in note 18 to the accounts.

General funds or 'free reserves' of the charity at 31 August 2021 total £3,679,808 (2020 – £3,720,031).

The trustees consider that this level of free reserves is appropriate despite it being slightly higher than the amount set out in the charity's reserves policy above. The trustees are of this opinion that this is both acceptable and prudent given the volatility in world stock markets at the present time and the other political and economic uncertainties resulting from the global Covid-19 pandemic. They also accept that in the years ahead, members of the Community may require increasing and increasingly expensive health care, and that the designated retirement fund of £4,150,000 (2020 – £4,150,000) described above may prove to be inadequate. It is the intention of the trustees to increase the fund over time. The trustees, therefore, consider free reserves to be adequate but not excessive, but they will keep this matter under review.

Raising funds

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

Future plans

The most important event of the coming year will be the abbatial election to be held in May 2022; the election is for an eight-year period. As recommended in our Visitation in May 2021, the community is preparing for this by a process of discernment, a series of monthly meetings in groups and three meetings of the whole community which was started in August 2021. This discernment process is being led by Father David Smolira SJ, who is a former Provincial Superior of the English Jesuits and an experienced counsellor and therapist. He was also leading at a national level the process which led to the formation of the Religious Life Safeguarding Service, bringing together hundreds of religious superiors in England and Wales.

Together with the other monasteries of monks and nuns in the English Benedictine Congregation, the community will also be preparing for the General Chapter to be held in July 2022. This has involved real and virtual meetings with members of the General Chapter preparatory commission and with members of other monasteries.

The trustees continue to look at different areas of the buildings which need repair or improvement. During the coming years the trustees will be considering various projects, including work on the interior of the abbey church, the improvement of the sacristy, the better to serve the abbey church and to care more adequately for our vestments and church plate, the possible expansion of the library-archive to meet growing demand on it from outside the monastery, and the refurbishment of the maintenance area to allow for workshops in a space which could be shared with those outside the monastery and so extend our social outreach.

The investigation of the possibility of moving from dependence on oil for heating the buildings to the use of air source heat pumps has already begun and will continue. The current telephone system is reaching the end of its life and is no longer supported by its manufacturer and its modernisation is being actively investigated.

All these capital projects would be at least partly funded from the new Development Fund, rather than from annual income. These projects would enable the trustees to go some way to fulfil the core mission of the Trust and its environmental goals. They will be funded wholly or mainly from reserves rather than annual income.

Consequently, the trustees have decided to increase the funds set aside in the "Property Improvement and Maintenance Fund" from £450,000 to £1 million and to rename it as the "Development Fund" to better reflect its intended use. This is shown on the Balance Sheet (page 28) and in Note 18 (page 43).

Governance, structure and management

Governance

Douai Abbey is an autonomous monastery of the Roman Catholic English Benedictine Congregation. The conduct and administration of the monastery is subject to the Constitutions of the English Benedictine Congregation and to the precepts of the Code of Canon Law of the Roman Catholic Church.

In terms of civil law the charity is governed by a trust deed dated 22 September 1934 and is a registered charity – Charity Registration No 236962. The trustees of the Abbey are the Abbot and the members of his Council. The members of the Abbot's Council are each year partly appointed by the Abbot himself from members of the Community and partly elected by the monks of the Abbey.

As all the trustees are members of the Community, they have a detailed knowledge of the work of the charity and its structure. Unlike many charity trustees who might live at a distance and meet briefly quarterly or so, the trustees are involved on a daily basis with the work of the charity, live within the Abbey itself or in its parishes, and meet and interact on a frequent basis. As members of the monastic community, the trustees are also beneficiaries of the charity, but they do not receive any benefits which are not also received by the other members. The trustees seek advice from professional advisers where necessary on legal, accounting, property and other issues. In addition, a voluntary advisory group of professionals of varied financial experience advises the trustees on investment policy and strategic development. The bursar attends external meetings and conferences during the year which enable him to keep up to date with developments of interest to the charity and to the sector as a whole. He has attended more virtual webinars and conferences since the lockdown began. The Abbot is also involved in other trusts and attends meetings with other religious superiors during the year. Other trustees are encouraged to attend relevant and appropriate courses and conferences so as to enable them to continue to be aware of their responsibilities and developments in the charity sector.

The names of the trustees who served during the year are set out as part of the reference and administrative information details on page 1 of this annual report and accounts. Brief biographical details of the trustees in office at 31 August 2021 are given below:

Rt Revd W G Scott OSB

Abbot of Douai since 1998, chairman of trustees, member of the community since 1966. MA (Oxford) PhD, FSA, FRHistS, Teacher of History in Douai School 1975 - 1993, Headmaster 1987 - 1993, librarian and archivist of the Abbey 1989 - present. Chair of Douai Abbey Parishes Trust, trustee of Oulton Abbey, member of Bishops' Patrimony Committee with responsibility for libraries and archives, President of the Catholic Archives Society and Vice-President of the Catholic Records Society and since 2017 has been analyst for the English Benedict Congregation. He is on the editorial board of the Douai Magazine. He teaches Church History at Blackfriars, the Dominican house of studies in Oxford. He is the First Assistant Abbot to the Abbot President of the English Benedictine Congregation and has been responsible for various Visitations and Abbatial Elections during the year.

Governance, structure and management (continued)

Governance (continued)

Revd A Hood MA, PhD, PGCE, AdvDip Couns

Prior of Douai Abbey from September 2014 until June 2021. Teacher at Douai School, 1992 - 1995, served on the Douai parish of Ormskirk, 1995 - 2002, (during which time he was a trustee of the Douai Abbey Parishes Trust), Novice Master and Choirmaster at Douai since 2002. He was formerly a trustee of the charity from 1998 until 2006. He is on the editorial board of the Douai Magazine. He is also a trustee of another Benedictine monastery at St Michael's Abbey, Farnborough, Hants. He gives retreats at Douai and elsewhere and sees people for spiritual direction on a regular basis. He retired as a trustee on 6 October 2021.

Revd B Standish OSB

Prior of Douai Abbey since June 2021. He has been involved in parish work in the Douai Abbey Parish and has also served on other parishes under the care of the Abbey. He has also assisted in the Guest and Bursar's departments.

Revd T Bowe OSB, MA, STL

Teacher of Economics and RE 1972-1982, housemaster 1972 – 1982, bursar 1996 – 2005, vice-chairman of Association of Provincial Bursars 2000 - 2005, Novice Master 1983 - 1990, founder member and bursar of Maison St Benoit, the dependent house in France 2005 – 2012; Prior of Douai September 2012 – September 2014, parish priest of Woolhampton 2012-2021.

Revd T J Holt OSB MA

Teacher of English in Douai School 1977 - 1999, housemaster 1982 - 1999, Bursar of Douai Abbey since 2005, trustee since 1997, trustee of Priors Court School 2005 – 2014, trustee of Lejeune Clinic for children with Down's Syndrome 2006 - 2016, trustee of Friends of Newbury Spring Festival 2008 - 2018, member of Association of Provincial Bursars. Trustee of Downside Abbey 2016 – 2019.

Revd P Gunter OSB, BD, SL.L, SL.D

Currently Parish Priest of Alcester since 2016 and Secretary of the Department of Christian Life and Worship to the Catholic Bishop's Conference of England and Wales since 2012. Consulter to the Office of the Liturgical Celebrations of the Supreme Pontiff, Vatican City 2018-2013. Visiting Professor, Pontifical Athenaeum Regina Apostolorum, Rome 2008-2015, Professor at the Pontifical Institute of Liturgy, Rome 2006-2016. Further Studies, Rome 2002-2006. Parish Priest, Studley 1999-2002 and the Trustee of Douai Abbey Parishes Trust. Member, Council of Priests, Diocese of Clifton 1995-1999; assistant priest, school chaplain, hospital chaplain, Cheltenham 1992-1999.

Governance, structure and management (continued)

Governance (continued)

Revd A Somerville Knapman OSB, MPhil, MA (Theol), STB, BA

Joining the monastery in early 2001, he was ordained a priest in April 2007 after studying in Oxford and Rome. His recently completed theological research at Bristol University was published by Paulist Press of New York in the autumn of 2018. Before entering the monastery, he studied at the University of Sydney and worked in education and then in a civilian role in communications for the New South Wales Police in Sydney, Australia. Currently he serves as the priest in residence at the parish of Scarisbrick in Lancashire and is the Community webmaster. He is engaged in doctoral studies and undertakes various publishing projects for the Community under the imprint of The Weldon Press. He is on the editorial board of the Douai Magazine.

The Douai Abbey trustees have a number of financial advisers who attend three meetings a year on a purely voluntary basis and are also available for consultation between meetings.

Margaret Chin-Wolf is an ICF Certified Coach and graduate of both the Meyler Campbell Mastered Programme and the FT Non-Executive Director Diploma. An economist and barrister by training, she was a portfolio manager for 32 years. She is a Governor of The Pilgrims' School, Winchester and was a Governor of the University of Winchester until 2021.

Denis Murtagh is a chartered accountant. Now retired, he spent most of his career with KPMG, one of the largest global accounting and advisory firms, where he was a tax adviser.

Dr Ralph Townsend was Headmaster of Winchester College from 2005 to 2016, after which he was Special Adviser to the President of Keio University in Japan (2017-2021) and Chairman of The Prep Schools Trust (2017-2022). He is currently Director of Winton Consulting Limited, an educational advisory service.

Kate Burke (Safeguarding Representative) was a social worker for 42 years. She undertook advanced training in Child Protection (Safeguarding). She delivered training over many years at Thames Valley Police College Sulhampstead to Police and Social Services (until 2014). She served for 15 years on Portsmouth Diocese Safeguarding Commission (until 2019)

Kate is currently the Lead Person for the Congregation of Our Lady of the Missions and works closely with the diocese of Portsmouth, the Religious Life Safeguarding Service (RLSS) and the Catholic Safeguarding Standards Agency (CSSA). She also undertakes critical assessments for the CSSA. An on-line course on the Theology of Safeguarding was undertaken last year and Kate continues to attend zoom safeguarding sessions with the London Jesuit Centre.

Trustees' responsibilities statement

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

Governance, structure and management (continued)

Trustees' responsibilities statement (continued)

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

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

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

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Key management

The trustees consider that they together with the Bursar comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees and the Bursar are all members of the Community and whilst their living and personal expenses are borne by the charity they receive no remuneration or reimbursement of expenses in connection with their duties as trustees or as senior management.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet every two months to review developments with regard to the charity or its activities and make any important decisions.

Governance, structure and management (continued)

Structure and management reporting (continued)

As stated above, when necessary, the trustees seek advice and support from the charity's professional advisers, e.g. property consultants, investment managers, solicitors and accountants. For some matters the constitutions of the English Benedictine Congregation require the Abbot to seek the whole Community's consent, for other matters it is only necessary to consult the Community.

Working with other organisations

The Community is responsible for the administration of several Roman Catholic parishes in England. The property and finances of these parishes are administered through a separate registered charity – the Douai Abbey Parishes Trust (Registered Charity No: 1063237). Two of the trustees of the Douai Abbey Trust are also trustees of the Douai Abbey Parishes Trust. Details of transactions between the two charities are given in the notes to the accounts.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances and have done so after having regard to the effects of the unprecedented Covid-19 pandemic. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees review a risk management matrix annually, which includes such potential risks as the loss of key staff, disaster recovery and reputational risk.

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

- ◆ **Loss of key management (Abbot, Bursar etc)**
The trustees are aware that they are very dependent on certain key people and the implications of losing these people would be serious. The trustees consider that strong support from financial advisers, training of trustees, and ongoing discussion of ways of lightening the load of the Abbot will all mitigate this risk. In addition, the English Benedictine Congregation, of which the Abbey is a member, has developed structures of congregational support, including the lending of personnel, to assist any communities who find themselves in difficulties.
- ◆ **Failure to recruit and retain new members**
The trustees are very much aware of the age profile of the members of the community and of the need to recruit new novices. One member of the community is responsible for directing vocations and for attracting younger people to visit the monastery.

Governance, structure and management (continued)

Risk management (continued)

- ◆ Dependence of income from investments rather than operations
The charity relies to a large extent on the returns from its investment portfolio to cover its outgoings. The performance of the investment portfolio and the investment strategy are reviewed in meetings of the trustees and in regular meetings with the investment managers, taking into account current and future political and economic uncertainties. As explained in "Reserves Policy" on page 13, the charity's reserves policy reflects the need to hold investments in order to generate investment income to fund recurring expenditure. In addition, the charity maintains sufficient reserves to cover temporary shortfalls in income. The trustees have monitored the charity's investment carefully during the current Covid-19 pandemic and have maintained a regular dialogue with the charity's investment managers, Ruffer LLP.
- ◆ Safeguarding and other reputational issues
These are addressed under relevant policies on page 6.
- ◆ The impact of Covid-19 on the trust
This has been added as a new item to the Risk Register. The community has been very careful in protecting its members from outside infection and has received medical advice. It is very difficult to calculate what particular risks we will be subject to which are not also shared with the rest of humanity, but the trustees will continue to monitor the situation and try to assess the impact of the pandemic on our lives and activities.

Employees, volunteers and members of the Community

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

Approved by the trustees and signed on their behalf by:

Rt Revd W G Scott OSB

Trustee

Approved by the trustees on: 15 February 2022

Independent auditor's report to the trustees of Douai Abbey Trust

Opinion

We have audited the accounts of Douai Abbey Trust (the 'charity') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

In preparing the accounts, the trustees are responsible for assessing the 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

How the audit was considered capable of detecting irregularities including fraud

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

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

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

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

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

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

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

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

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

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

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

We did not identify any irregularities, including fraud.

A further description of our responsibilities for the audit of the 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.

Independent auditor's report Year to 31 August 2021

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

22 February 2022

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

Statement of financial activities Year to 31 August 2021

	Notes	Un-restricted funds £	Restricted funds £	2021 Total funds £	Un-restricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations and legacies	1	183,452	22,943	206,395	228,472	29,493	257,965
Charitable activities	2	58,490	—	58,490	127,679	—	127,679
Other trading activities	3	—	—	—	10,888	—	10,888
Investments and interest receivable	4	150,910	—	150,910	148,448	—	148,448
Other sources							
. Coronavirus Job Retention Scheme grants		55,405	—	55,405	49,135	—	49,135
. Miscellaneous income		12,005	—	12,005	16,486	—	16,486
Total income		460,262	22,943	483,205	581,108	29,493	610,601
Expenditure on:							
Raising funds	5	74,152	—	74,152	59,781	—	59,781
Charitable activities							
. Support of members of the Community and their ministry	6	721,010	646	721,656	838,824	2,589	841,413
Total expenditure		795,162	646	795,808	898,605	2,589	901,194
Net (expenditure) income before gains on investments and transfers							
	9	(334,900)	22,297	(312,603)	(317,497)	26,904	(290,593)
Transfers	17	—	—	—	10,100	(10,100)	—
Other recognised gains and losses							
Gains on the revaluation of investment properties	14	—	—	—	97,500	—	97,500
Forward exchange gains	14	44,462	—	44,462	47,966	—	47,966
Gains on the revaluation and disposal of listed investments	14	620,067	—	620,067	310,698	—	310,698
Net income and net movement in funds		329,629	22,297	351,926	148,767	16,804	165,571
Reconciliation of funds:							
Fund balances brought forward at 1 September 2020		15,040,397	116,499	15,156,896	14,891,630	99,695	14,991,325
Fund balances carried forward at 31 August 2021		15,370,026	138,796	15,508,822	15,040,397	116,499	15,156,896

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

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

Balance sheet 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	13		6,540,218		6,720,366
Investments	14		8,864,866		8,269,256
			15,405,084		14,989,622
Current assets:					
Stocks		17,982		17,897	
Debtors	15	13,171		71,696	
Cash at bank and in hand		114,960		112,268	
		146,113		201,861	
Liabilities:					
Creditors: amounts falling due within one year	16	(42,375)		(34,587)	
Net current assets			103,738		167,274
Total net assets			15,508,822		15,156,896
The funds of the charity:					
Restricted funds	17		138,796		116,499
Unrestricted funds					
. General fund			3,679,808		3,720,031
. Designated funds	18		5,150,000		4,600,000
. Tangible fixed asset fund	19		6,540,218		6,720,366
Total charity funds			15,508,822		15,156,896

Approved by the trustees and signed on their behalf by:

Rt Revd W G Scott OSB

Trustee

Approved on: 15 February 2022

Statement of cash flows Year to 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(202,309)	(295,582)
Cash flows from investing activities:			
Investment income including rent received		150,861	149,344
Purchase of tangible fixed assets		(14,776)	(9,938)
Proceeds from the disposal of listed investments		2,394,356	2,537,883
Net cost of settlement of foreign exchange contracts		58,808	25,460
Purchase of listed investments		(2,055,637)	(2,592,419)
Net cash provided by investing activities		533,612	110,330
 Change in cash and cash equivalents in the year		331,303	(185,252)
 Cash and cash equivalents at 1 September 2020		391,428	576,680
 Cash and cash equivalents at 31 August 2021	B	722,731	391,428

Notes to the statement of cash flows for the year to 31 August 2021.

A Reconciliation of net movement in funds to net cash used in operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	351,926	165,571
Adjustments for:		
Depreciation charge	194,924	196,894
Gains on investments	(664,529)	(444,911)
Investment income including rent receivable	(150,910)	(148,448)
Increase in stocks	(85)	(2,134)
Decrease (increase) in debtors	58,577	(51,348)
Increase (decrease) in creditors	7,788	(11,206)
Net cash used in operating activities	(202,309)	(295,582)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	114,963	112,268
Cash held by investment managers	607,768	279,160
Total cash and cash equivalents	722,731	391,428

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

Principal accounting policies 31 August 2021

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

Basis of preparation

These accounts have been prepared for the year to 31 August 2021 with comparative information provided in respect to the year to 31 August 2020.

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

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

Critical accounting estimates and areas of judgement

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

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

- ◆ assessing the probability of the receipt of legacy income and estimating the amount to be received;
- ◆ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ estimating the fair value of investment properties;
- ◆ determining the value of designated funds needed at the year end, in particular in respect to the assumptions made in determining the value of the retirement fund; and
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern (see below).

Assessment of going concern

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

Assessment of going concern (continued)

Since March 2020, the Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

The full impact on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still uncertain. However, the trustees do not consider that there will be any material impact on income or expenditure and, therefore, on the charity's financial position.

The charity's income was impacted due to the need to temporarily cease offering retreats and hospitality to other visitors to the Abbey. However, there have been compensating falls in related expenditure and the charity was also able to take advantage of grants from the government's Coronavirus Job Retention Scheme to offset the cost of salaries for staff that have been furloughed. Whilst donations have fallen, the drop has not been significant. Investment income will continue to be affected because of falls in dividends as investment markets and the corporate sector, in particular, react to the economic difficulties caused by the pandemic.

Throughout the pandemic, the trustees have kept, and will continue to keep, all income and expenditure under review. Whilst there will undoubtedly be challenges ahead, the trustees do not expect concerns to arise over the charity's financial position. Therefore, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 August 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

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

Income comprises donations, legacies, investment income, income from the sale of books and artefacts, income from retreats and visitors and other income including the surplus on disposal of land and tangible fixed assets.

Income recognition (continued)

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

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

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

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

Investment income is recognised once the dividend or equivalent has been declared and notification has been received of the amount due.

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

Income from the sale of books and artefacts and from retreats and other visitors is measured at fair value of the consideration received or receivable, excluding discounts.

Any surplus (or deficit) on the disposal of tangible fixed assets is calculated as the difference between the sale proceeds net of sale costs and the net book value of the asset immediately prior to disposal. It is accounted for once legal completion of the disposal has taken place.

Income from the Government's Coronavirus Job Retention Scheme is recognised when the charity has made a valid claim for the income, the amount can be measured and it is entitled to receive the income.

Expenditure recognition

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and investment property costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable donations and grants, costs in respect to the support of members of the Congregation and enabling their ministry, including governance costs.

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

All expenditure is stated inclusive of irrecoverable VAT.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

a. Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these accounts at an estimate of their historic cost as determined by the trustees.

Due to its historic nature, the Abbey is depreciated at a rate of 1% per annum on a straight line basis.

Other functional freehold properties are depreciated at a rate of 2% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

b. Other tangible fixed assets

Plant and other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Plant, furniture and equipment – 5% to 20% per annum based on cost
- ◆ Motor vehicles – 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the accounts as their net realisable value is considered to be negligible.

Fixed asset investments

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

Management of the charity's investment portfolio includes the use of foreign exchange contracts including forward contracts. These are a form of complex financial instrument. They are recognised initially at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the prevailing exchange rate at that date. Changes in fair value are credited (or debited) to the statement of financial activities in the year in which they arise.

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

Properties held for investment purposes are included in these accounts at fair value based on open market value. Investment properties were last re-valued formally on 2 December 2020 on an open market basis by Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuation Standards (the 'Red Book').

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund structure

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

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

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

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets.

Foreign currencies

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

Services provided by members of the Community

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

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Income from: Donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations	11,325	22,943	34,268	20,447	29,493	49,940
Legacies	24,500	—	24,500	36,415	—	36,415
Collections and offertory	31,616	—	31,616	44,093	—	44,093
Amount receivable from parishes administered by Douai Abbey	51,598	—	51,598	55,078	—	55,078
Pensions and other income of individual religious received under deed of covenant	64,413	—	64,413	72,439	—	72,439
Total funds	183,452	22,943	206,395	228,472	29,493	257,965

2 Income from: Charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Sales of religious books and artefacts	2,980	—	2,980	9,031	—	9,031
Retreat house and related income	52,570	—	52,570	112,505	—	112,505
Other	2,940	—	2,940	6,143	—	6,143
Total funds	58,490	—	58,490	127,679	—	127,679

3 Income from: Other trading activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Visitors for non-religious purposes	—	—	—	9,437	—	9,437
Other	—	—	—	1,451	—	1,451
Total funds	—	—	—	10,888	—	10,888

4 Income from: Investments and interest receivable

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Income from listed investments and National Savings Bonds						
. UK equities	16,366	—	16,366	7,844	—	7,844
. Overseas equities	20,277	—	20,277	25,029	—	25,029
. Government bonds	3,914	—	3,914	6,577	—	6,577
	40,557	—	40,557	39,450	—	39,450
Income from investment property						
. Rental income	110,346	—	110,346	108,476	—	108,476
Interest receivable	7	—	7	522	—	522
Total funds	150,910	—	150,910	148,448	—	148,448

5 Expenditure on: Raising funds

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Investment property expenses	12,379	—	12,379	7,806	—	7,806
Investment manager's fees	59,011	—	59,011	50,074	—	50,074
Other	2,762	—	2,762	1,901	—	1,901
Total funds	74,152	—	74,152	59,781	—	59,781

6 Expenditure on: Support of members of the Community and their ministry

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs (exc. pastoral activities)	197,800	—	197,800	184,161	—	184,161
Depreciation	194,924	—	194,924	196,894	—	196,894
Living and personal costs	131,420	—	131,420	145,853	—	145,853
Premises	150,403	—	150,403	183,755	2,256	186,011
Pastoral activities (inc. staff costs)	23,331	646	23,977	85,322	333	85,655
Governance (note 7)	14,259	—	14,259	29,826	—	29,826
Donations (note 8)	3,698	—	3,698	3,235	—	3,235
Other	5,175	—	5,175	9,778	—	9,778
Total funds	721,010	646	721,656	838,824	2,589	841,413

7 Governance

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Professional fees	3,399	—	3,399	4,915	—	4,915
Legal fees	—	—	—	14,411	—	14,411
Auditor's remuneration	10,860	—	10,860	10,500	—	10,500
Total funds	14,259	—	14,259	29,826	—	29,826

Legal fees in 2020 consisted of amounts paid to Kingsley Napley LLP, the legal firm chosen to represent the Roman Catholic English Benedictine Congregation as a whole together with many of the autonomous monasteries, including Douai Abbey, at the Independent Inquiry into Child Sexual Abuse.

8 Donations

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations of less than £1,000 each	3,698	—	3,698	3,235	—	3,235

9 Net (expenditure) income before gains on investments and transfers

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Staff costs (note 10)	195,960	—	195,960	220,411	—	220,411
Auditor's remuneration						
. Statutory audit services	10,860	—	10,860	10,500	—	10,500
Depreciation	194,924	—	194,924	196,894	—	196,894

10 Employees and staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	176,474	200,352
Social security costs	12,616	13,185
Other pension costs	6,870	6,874
	195,960	220,411

No employee earned in excess of £60,000 per annum (including taxable benefits) or more during the year (2020 – none).

The average number of employees during the period was 14 (2020 – 17).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the Bursar. They received no remuneration or reimbursement of expenses in connection with their duties during the year (2020 – £nil).

11 Trustees' expenses and remuneration and transactions with trustees

The charity's trustees are all members of the Community and consequently their living and personal expenses, all of which are consistent with the amounts paid in respect to other members of the Community, are borne by the charity. No trustee received any remuneration or reimbursement of expenses in connection with their duties as trustees (2020 – none).

As members of the Community, none of the trustees have resources of their own as all earnings, pensions and other income have been donated to the charity under a Gift Aid compliant Deed of Covenant. During the year, the total amount donated by the trustees to the charity was £18,535 (2020 – £18,561).

12 Taxation

Douai Abbey Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities or tax on capital gains, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	Freehold land and buildings £	Plant, furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2020	9,347,196	262,817	19,095	9,629,108
Additions	—	8,022	6,754	14,776
At 31 August 2021	<u>9,347,196</u>	<u>270,839</u>	<u>25,849</u>	<u>9,643,884</u>
Depreciation				
At 1 September 2020	2,747,161	146,131	15,450	2,908,742
Charge for year	171,410	20,764	2,750	194,924
At 31 August 2021	<u>2,918,571</u>	<u>166,895</u>	<u>18,200</u>	<u>3,103,666</u>
Net book values				
At 31 August 2021	<u>6,428,625</u>	<u>103,944</u>	<u>7,649</u>	<u>6,540,218</u>
At 31 August 2020	<u>6,600,035</u>	<u>116,686</u>	<u>3,645</u>	<u>6,720,366</u>

As permitted under FRS 102, the charity has adopted a policy of not revaluing its tangible fixed assets. Tangible fixed assets are stated at cost. Where a valuation has been used in periods prior to the implementation of FRS102, this has been taken to be deemed cost under the transitional arrangements of FRS 102.

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

14 Fixed asset investments

At 31 August 2021 fixed asset investments comprised:

	2021 £	2020 £
Freehold investment property (see a below)	3,342,500	3,342,500
Listed investments and cash held for re-investment (see b below)	5,525,459	4,915,503
Foreign exchange contracts (see c below)	(3,093)	11,253
	8,864,866	8,269,256

Movements on each category of investment are summarised below.

a. Freehold investment property

	2021 £	2020 £
Fair (market) value at 1 September 2020	3,342,500	3,245,000
Revaluation gains in the year	—	97,500
Fair (market) value at 31 August 2021	3,342,500	3,342,500

The investment properties were purchased many years ago and accurate cost figures for the properties are not available without considerable research. The trustees are of the opinion that the cost and time involved in such an exercise is not commensurate with the value to be obtained from ascertaining such information.

The charity's freehold investment properties are included at fair value based on open market value. They were re-valued formally on 2 December 2020. The valuations were determined on an open market basis on behalf of Messrs Carter Jonas LLP, Chartered Surveyors, in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2020 incorporating the IVSC International Valuations Standards (the "Red Book"). The trustees are of the view that this valuation is not materially different from the value of the properties at 31 August 2021.

b. Listed investments and cash held for re-investment

	2021 £	2020 £
Listed investments		
Fair(market) value at 1 September 2020	4,636,343	4,196,110
Additions at cost	2,055,637	2,592,418
Disposals at book value (proceeds: £2,394,356 gains: £288,066)	(2,106,290)	(2,428,583)
Net unrealised investment gains	332,001	276,398
Fair (market) value at 31 August 2021	4,917,691	4,636,343
Cash held by investment managers for re-investment	607,768	279,160
	5,525,459	4,915,503
Cost of listed investments at 31 August 2021	4,487,466	4,683,973

All listed investments were dealt in on recognised stock exchanges.

14 Fixed asset investments (continued)

b. Listed investments and cash held for re-investment (continued)

Listed investments held at 31 August 2021 comprised the following:

	2021 £	2020 £
UK equities	885,272	413,999
Overseas equities	1,167,582	1,246,188
Government bonds	1,965,506	1,759,741
Alternatives	899,330	1,227,669
	4,917,691	4,647,597

At 31 August 2021, listed investments included the following individual holdings deemed material when compared with the overall valuation of listed investments as at that date:

	Market value £	Percentage %
LE Ruffer Gold	262,554	5%
UK (Govt of) 0.125% I/L 22/03/2068	287,567	5%
UK (Govt of) 0.125% I/L 22/03/2065	256,103	5%
Ruffer SICAV Fixed Income Z GBP Cap	843,637	15%

c. Gains on foreign exchange contracts for the year ended 31 August 2021 consisted of the following:

	2021 £	2020 £
Foreign exchange contracts		
Fair value gain on unsettled contracts brought forward	(11,253)	—
Fair value gain on settlement	58,808	36,713
Fair value gain on unsettled contracts carried forward	(3,093)	11,253
Total gain on foreign exchange contracts	44,462	47,966

15 Debtors

	2021 £	2020 £
Investment income and interest receivable	986	935
Gift Aid recoverable	2,913	10,589
Prepayments	—	1,638
Legacy receivable	1,000	31,415
Other debtors and accrued income	8,272	27,119
	13,171	71,696

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Expense creditors and accruals	41,112	27,133
Retreat and visitor income received in advance	—	3,245
VAT payable	1,263	4,209
	42,375	34,587

17 Restricted funds

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

	At 1 September 2020 £	Income £	Expenditure £	Transfers £	At 31 August 2021 £
Library Archives Fund	115,553	22,943	(646)	—	137,850
Other restricted fund	946	—	—	—	946
	116,499	22,943	(646)	—	138,796

	At 1 September 2019 £	Income £	Expenditure £	Transfers £	At 31 August 2020 £
Library Archives Fund	98,749	19,393	(2,589)	—	115,553
Stained glass window fund	—	10,100	—	(10,100)	—
Other restricted fund	946	—	—	—	946
	99,695	29,493	(2,589)	(10,100)	116,499

The specific purposes for which the funds are to be applied are as follows:

◆ Library Archives Fund

This fund represents monies received specifically for the development of an archives database at the library, the maintenance of the archive, and the employment of a cataloguer.

◆ Stained glass window fund

This fund represented monies received specifically for the repair of the Abbey stained glass window which was damaged during a storm in November 2018. The transfer of £10,100 from the stained glass window fund to unrestricted funds in 2019/20 represented the application of donations received in that year to reimburse unrestricted funds for expenditure incurred in 2018/19.

◆ Other restricted fund

This fund represents monies received for one off specific purposes.

18 Designated funds

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

	At 1 September 2020 £	New designations £	Utilised/ released £	At 31 August 2021 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	450,000	550,000	—	1,000,000
	4,600,000	550,000	—	5,150,000

	At 1 September 2019 £	New designations £	Utilised/ released £	At 31 August 2020 £
Retirement reserve	4,150,000	—	—	4,150,000
Development fund	450,000	—	—	450,000
	4,600,000	—	—	4,600,000

The retirement reserve represents monies designated by the trustees to provide for the members of the Community in their retirement. It has been calculated using actuarial principles and will be reviewed regularly by the trustees in the light of the resources available and likely to be required.

The Development Fund comprises money set aside for future projects, as outlined in the Future Plans section of the Trustees' Report - see page: 15.

19 Tangible fixed assets fund

	£
At 1 September 2020	6,720,366
Movement in year	(180,148)
At 31 August 2021	6,540,218

	£
At 1 September 2019	6,907,322
Movement in year	(186,956)
At 31 August 2020	6,720,366

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets and has been set up in recognition of the fact that the assets are required for the day-to-day work of the charity and are not available to finance current expenditure or meet contingencies.

20 Analysis of net assets between funds

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	—	—	6,540,218	—	6,540,218
Investments	4,264,866	4,600,000	—	—	8,864,866
Net current (liabilities) assets	(35,058)	—	—	138,796	103,738
Total net assets	4,229,808	4,600,000	6,540,218	138,796	15,508,822

	General fund £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	Total 2020 £
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	—	—	6,720,366	—	6,720,366
Investments	3,669,256	4,600,000	—	—	8,269,256
Net current assets	50,775	—	—	116,499	167,274
Total net assets	3,720,031	4,600,000	6,720,366	116,499	15,156,896

The total unrealised gains constitute movements on revaluation and as at 31 August 2021, excluding those relating to forward exchange contracts (see note 14c), they were as follows:

	2021 £	2020 £
Unrealised gains (losses) included above:		
On investment properties	742,500	742,500
On listed investments	430,225	243,826
Total unrealised gains at 31 August 2021	1,172,725	986,326
 Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2020	986,326	642,065
Less: in respect of disposals in the year	(145,602)	(29,636)
	840,724	612,429
Add: net gains arising on revaluation arising in the year	332,001	276,397
Add: gains arising on investment property revaluation in the year	—	97,500
Total unrealised gains at 31 August 2021	1,172,725	986,326

21 Related party transactions

The Douai Abbey Trust is connected to the Douai Abbey Parishes Trust (Charity Registration Number: 1063237) by virtue of the fact that both charities have a number of trustees in common.

21 Related party transactions (continued)

During the year rent of £12,000 (2020 – £12,000) for the use of St Mary's Church was received by Douai Abbey Trust from Douai Abbey Parishes Trust.

In 2020 the trustees signed a loan agreement with the four other parishes of the Douai Abbey Parishes Trust to loan funds to Our Lady and St Joseph's Church Alcester. The amount agreed to be loaned by Douai Abbey Trust was £20,000. At 31 August 2021 the loan had not been drawn down and was drawn in September 2021.



New Parish Hall at Alcester, partly funded by this loan.

Other than the donations received by trustees disclosed in note 10 to these accounts, there were no other related party transactions during the year which require disclosure (2020 – none).