

TRUST PROPERTY HELD IN CONNECTION WITH BROTHER SERVANTS OF THE BLESSED VIRGIN SERVITE FATHERS

England & Wales · Charity number 249148

Details

Other names	SERVITE FRIARS, TRUST PROPERTY HELD ICW THE SERVITE ORDER
Status	Registered
Legal form	Trust
Registered	1966-11-01
Register	View on the Charity Commission register

Contact

Address	264 Fulham Road London SW10 9EL
Phone	02073526965
Email	pauladdisonosm@gmail.com
Website	www.servitefriars.org

Activities

Objects: RELIGIOUS EDUCATIONAL AND OTHER CHARITABLE PURPOSES IN CONNECTION WITH ROMAN CATHOLIC CHURCH.

Activities: Parish ministries, education and trusteeship of voluntary-aided schools, service to the Friars, outreach to missions and other charities.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£850,578	£843,194	£9,974,105	10
2023-12-31	£1,114,974	£967,880	£9,487,641	10
2022-12-31	£1,101,879	£1,205,349	£9,233,755	8
2021-12-31	£1,009,759	£845,165	£10,642,573	9
2020-12-31	£919,347	£773,716	£10,049,554	8

Trustees

Name	Role	Appointed
Rev Colm McGlynn OSM	Chair	2017-05-30
REV PATRICK RYALL		2012-09-26
Rev Allan Satur OSM		2021-09-15
Rev Christopher O'Brien OSM		2005-11-06
Rev Liam Tracey OSM		2021-09-15
Rev Paul Addison OSM		2008-10-03
Rev Vincent Coyne		2014-09-26

Accounts

**THE TRUSTEES OF THE SERVITE FRIARS,
PROVINCE OF THE ISLES
(A Registered Charity)**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Registered Charity Number: 249148

THE SERVITE FRIARS, PROVINCE OF THE ISLES
REPORT OF THE TRUSTEES OF THE SERVITE FRIARS
FOR THE YEAR ENDED 31 DECEMBER 2024

Trust property held in connection with the Brothers Servants of the Blessed Virgin.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Father Christopher O'Brien OSM
Father Patrick Ryall OSM
Father Colm McGlynn OSM
Father Vincent Coyne OSM
Father Liam Tracey OSM
Father Allan Satur OSM
Father Paul Addison OSM

Prior Provincial (Chair)

Father Colm McGlynn OSM (resigned 9 June 2025)

Prior Provincial (Elect)

Father Christopher O'Brien OSM (Chair as from 9 June 2025)

Provincial Treasurer

Father Christopher O'Brien OSM

Principal Address

St Mary's Priory
264 Fulham Road
London SW10 9EL

Telephone

020 7352 6965

Website

www.servitefriars.com

Charity Registration Number

249148

Auditors

HaysMac LLP
10 Queen Street Place
London EC4R 1AG

Bankers

The Royal Bank of Scotland
Relationship Management Team
6th Floor
1 Princes Street
London EC2R 8BP

Investment Managers

Epworth Investment Management Limited
9 Bonhill Street
London EC2A 4PE

Solicitors

Carter Lemon Camerons LLP
10 Aldersgate Street
London EC1A 4HJ

Stone King LLP
Boundary House
91 Charterhouse Street
London EC1M 6HR

Property Advisers

Newmark (Gerald Eve LLP)
One Fitzroy
6 Mortimer Street
London W1T 3JJ

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

The first Trust deed of the Servite Order was registered with the Commissioners in 1878 under the number 249138. Then on 4 April 1935 another deed was drawn up under the title *The Brothers Servants of the Blessed Virgin*, with our present no 249148. Carrying forward this tradition of service the Trustees now present their report for the financial year ending 31 December 2024.

INTRODUCTION

The Brothers Servants of the Blessed Virgin more often known as the Servite Friars live in two communities, one in London and the other in Salford. In both locations they are responsible for the pastoral care of a Church and the surrounding Catholic community. Another friar, living alone, has similar responsibilities for a Parish Church in Bath.

The Servite Friars have offered pastoral care and support in London since 1864, and in Salford since 1923, although the origins of the Servite Order date from the thirteenth century.

During 2024 our long-standing ministry and pastoral care continued following the pandemic restrictions of the previous years. Our tradition, derives from the Servite Constitutions and the Province of the Isles Servite Directory, together with our Trust Deed dating back to 1935.

There are Servite Primary Schools in both the London and Salford parishes where The Servite Friars are Trustees and responsible for these Voluntary Aided Schools. The Servite Primary School in London has 198 pupils (2023 :210), while St Philips Primary School in Salford has 362 pupils (2023 :320). The Servite Friars are Foundation Governors to both.

In accordance with a well-founded tradition support was given to our General Council in Rome, and to the Pontifical University, the Marianum. This international service is reviewed every six years and a new General Council elected. The next General Chapter will be in 2025 and preparations are already in hand.

In recent times the three parishes in London, Salford and Bath would have a weekly footfall in excess of 1,500. Each Mass, or Service, would have an attendance of between 100 and 400. On certain days during the year this figure would be even greater marking the highlights of the Christian calendar such as Christmas and Easter or other special celebrations such as First Communions, and Confirmations.

Also, during the year there would be a variety of other community celebrations such as Baptisms, Marriages and Funerals. These would all draw a congregation from far and wide and in the case of marriages and funerals need to be arranged in conjunction with state registrars.

Mission

The Servite Order in the UK aim to use their resources for religious, educational and other charitable purposes in connection with the Roman Catholic Church (Trust Deed 1935).

- ❖ For the purposes of this report, the principal service, at present, would be the pastoral care of three parish churches and their congregations and the use of the parish centres and facilities for the people in the surrounding areas in London, Salford, and Bath. (cf Trust Deed clause 5 section i)
- ❖ The friars in the London and Salford parishes have responsibility for the local Voluntary Aided schools both as Trustees and Governors.
- ❖ An integral part of our service is to support the Order in its central administration and to support Servite Friars, and the Church generally, in the developing world. There is also a long tradition of helping other related charities both at home and abroad.
- ❖ The care of the sick and elderly among the province's friars who have spent a life-time in service of the Church, the Order and Society at large. (cf Trust Deed clause 5 sections vi & vii) The English charity shares this responsibility for one of the Irish friars who is being cared for in a care home in the North of Ireland.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

GOVERNANCE, STRUCTURE AND MANAGEMENT

From its inception the Servite Order have followed a rule of Life, the Constitutions, and these have the approval of the Catholic Church and are in conformity with Canon Law. These have been upgraded and amended periodically, the last time the Constitutions were amended was in September 2015. The local friars also have a Directory which adjusts the Order's rules to local circumstances and in our case, to be in line with UK charity law. The Directory was approved and updated in 2017.

The UK charity "Trust Property held in connection with Brother Servants of the Blessed Virgin Servite Fathers", known as The Servite Friars, together with an Irish Charity "Servite Community – Rathfarnham", constitute the Province of the Isles.

The Province of the Isles has a leadership team consisting of the Prior Provincial and four Provincial Councillors. Each year there is a Provincial Chapter when the friars meet to discuss policy and procedures. This can mandate the Provincial and his Council to implement proposals and directives. It can also take the form of in-service training. The Provincial Chapter approves local by-laws known as the Directory. This document takes cognisance of Church Law and appropriate Civil law. Every fourth year a Provincial Chapter of Elections takes place, when elections and appointments to the various offices are effected.

Between Provincial Chapters, the responsibility for the direction of the Province (the Charities) rests with the Provincial and the Council (cf Deed of Variation 21 Sep 1971). Where possible the Trustees are drawn from the Provincial Council. All trustees are members of the Order and they have a detailed knowledge of the work of the Charity and its structure; even so new trustees when appointed are reminded of the Charity Commission Guidance and are given a refresher course on the principal responsibilities of the charity its resources and aims and the relationship with our professional advisors; solicitors, auditors, stockbrokers, the bank relationship team, and investment and property advisers.

Risk Management

In line with the requirement of trustees the Charity has made an assessment of risk and identified the following areas:

Governance

Operational

Financial

Reputational

Laws, regulations, external and environmental

Governance The Province of the Isles has seventeen friars and their presence in England and Ireland is reported through to the relevant civil authorities and registrations. Each year the friars gather for a Provincial Chapter and this is when the AGM of the English Charity is held. All members continue to receive copies of the minutes.

Operational The responsibility for buildings such as the Priors is the direct responsibility of the Prior Provincial and the Provincial Council and their delegates; the local Priors. The well-being of the Parish churches and Parish properties are with the appointed parish team, together with their lay committees under the direction of the Parish Priest who is appointed by the Provincial Council. The worst possible interruption would be severe damage to one of the Churches. The safety net would be to use the nearby school halls on a temporary basis.

Financial The overall management of financial policy lies with the Provincial Finance Council who regulate the local centres of operation, the reserves policy is under review with professional advisers and records are kept of these meetings and conveyed to the Trustees at each of their meetings.

The main sources of weekly income are the Churches' parochial weekly donations.

Our Pension and Welfare Cover remains a financial priority.

The care of the elderly is an enduring concern and the internal fund continues to support a friar residing in a care home. An effort has been made to increase this fund, dedicated to the help of the elderly, in line with ever increasing inflationary pressures.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

Laws, regulations, external and environmental. In order to follow changes in government policies, and to guard against the consequences of non-compliance with laws and regulations, the finance team are members of the Association of Provincial Bursars.

Methods of holding personal information seek to comply with GDPR legislation. Volunteers and contributors to the parishes are being asked to sign a new form of acceptance that their details are held on file for this purpose. Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring levels of financial reserves, ensuring controls exist over key financial systems, and by examining the operations and business risks faced by the charity, they have established effective systems to mitigate those risks. The Risk assessment Policy was revised in March 2022.

Protection of Children and vulnerable Adults. Each trustee meeting checks on the procedures being followed in the order's communities, and among the parishioners and other lay helpers under the guidance of the recently created RLSS, Religious Life Safeguarding Service, supported by supervisory web meetings.

THE PRIOR PROVINCIAL AND COUNCIL (TRUSTEES)

Besides the regular Council meetings, the Prior Provincial together with the Provincial Secretary are responsible for communications both within the Province and with our Generalate in Rome, as well as other Priors Provincial.

On a day-to-day basis this is by way of emails and online newsletters.

English continues to be a much-used language through-out the Order and a variety of tasks involving translation work come to the Province. The Provincial Secretary continues to be much involved in this initiative.

The Trustees

Fr Colm McGlynn : Prior Provincial/Chair of Trustees

Fr Colm joined the Order in 1980. Colm has served in all parts of the Province, Dublin, the North of Ireland, Scotland and England and he has served as Parish Priest in Dublin and Dundee. He has also had experience working with the Order in the Philippines. Colm served for several terms on the Provincial Council. He was awarded a BA in Humanities from Dublin City University in 2005. He served as Assistant Provincial and is now in his second term as Provincial.

Fr Liam Tracey : Assistant Provincial

Liam joined the Servites in 1980. He has an STB from Dublin and a Doctorate in Liturgy from the Anselmianum, Rome 1996. For 20 years he was the Liturgy Professor in Maynooth University. He also acted as Conventual Prior on several occasions and has now assumed the role of Parish Priest in the Marley Grange, parish in Dublin. In September 2021 he was elected as Assistant Provincial and member of the Provincial Council.

Fr Paul Addison : Provincial Secretary.

Fr Paul joined the Servite Order in August 1958. After studies he had two terms serving on the central administration in Rome. Fr Paul has been responsible for the education and formation of student friars. As part of this ministry he has given courses and lectures in Italy, the USA, France, India and Uganda. He had a first period as Prior Provincial (chair of the charity) in 1991-1997. During that time he also served on the Board of the Servite Houses (housing association) now known as Optivo. He continues to serve on the Council as Provincial Secretary.

Fr Christopher O'Brien : Prior Provincial elect, and Provincial Treasurer

Fr Christopher joined the Servite Order in 1965. In his early years he was engaged in teaching in both ordinary and special schools. From 1982-1996 he was engaged in educating Servites in Dublin, Oxford, Lesotho and Normandy in France. He has been a member of the Provincial Finance Council since 1980, and assumed the Office of Provincial Treasurer in the year 2000. Since 2007 he has been a member of the Servite General Council of Administration which sets the budget for the Servite General Council. Besides financing the Generalate, the Council oversees the administration of the Servite University in Rome, the Marianum.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

Fr Allan Satur

Fr Allan entered the Servite Order in 1994. He studied in Cebu and Rome and began his pastoral ministry in the Philippines. He joined the London community in 2012 and was awarded a Masters in Pastoral Theology in 2018. In October 2021 he was appointed Parish Priest in London after having been elected to the Provincial Council and Trustees in September of that year.

Fr Patrick Ryall

Fr Patrick joined the Servite Order in 1963. He spent twelve years in the London Parish, nine of them as Parish Priest. He has also served as a student master; nine years in Oxford and three in Rome. In 1997 he again served as Parish Priest in London before serving as the first Prior Provincial of the newly formed Province of the Isles from 2000 until 2009. He also served on the board of Servite Houses now known as Optivo. From 2010-2021 he was once more elected Prior and Parish Priest of the London Community.

Fr Vincent Coyne

Fr Vincent joined the Servite Order in September 1959. After upgrading his STL degree with a Certificate of Education, he taught at St Peter's High School, Manchester from 1973-1979. From 1985 -1991 he served as Prior Provincial and chair of the Trust. Since 1997 he has again been involved in Parish ministry and is at present Prior and Parish priest at Our Lady of Dolours Church, Kersal, Salford.

Public benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. These requirements are addressed in this report.

Statement of Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees of the charity 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 net income or expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with 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.

Activities, Specific Objectivities and Relevant Policies

In accordance with a long-standing tradition the Province continues to contribute towards and support the international **Servite Generalate based in Rome**, and the **Marianum**, the Servite University in Rome. Activities are agreed and budgeted at the General Council of Administration during the spring of each year, when a full detailed report is given at the Council of Administration of the income and expenditure of the previous calendar year. The Treasurer of the Province is member of this General Council of Administration. The 2024 meeting took place in the Order's Priory in Ottawa.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Benburb Library, Museum and Provincial Archive

This facility while existing within the Northern Ireland Trust (Order of Mary Servite Trust) conserves all the English and Irish charitable trusts' archives, and so has been supported by Provincial funds. In particular, during 2024 the London based trust provided £61,000 (2023 ; £109,370) towards a Service Level Agreement for the Library and Archive in combination with the related Irish Charity "Servite Community - Rathfarnham", based in the Republic of Ireland.

Servite Missions and Various charities supported by our Trust

Our Servite Communities in England along with the support of the Parishes have continued to support other Servite friars working in more challenging parts of the world. 2024 saw our continued support for the student programme in the Philippines, £18,179 (2023 ; £14,030), which in recent years has recruited and trained students.

The Charity continued its long-term support of efforts towards relief from poverty and hunger in the world, with support for CAFOD in 2024 totalling £4,000 (2023 ;£6,883). Other international areas of need have prompted donations to various appeals during 2024, with Servite support for a variety of smaller charities amounted in 2024 to £6,000 (2023 ; £10,300).

Volunteers (Friars)

Area of Service	Number of Volunteers	Hours per year
Preparing and celebrating Services	6	4,000
Pastoral Planning, teaching, meetings, Study	6	1560
Home visit of elderly and sick	6	650
Administration	5	3000
One to one direction and guidance	6	1000
Hospital Visits	6	1200
School Meetings, teaching	4	850
Community Care and Service	2	600

Throughout the year the friars give their time and energy serving the aims of the Charity. They either received no specific financial reward or else pay their earnings or stipends into the common fund.

Most of the friars have passed retiring age but continue to serve according to their ability and fitness. These friars have served the Charity for the whole of their adult life.

Some of the members are heavily involved in the work of administering the Charity and without their service the charity would not be able to function effectively or according to the norms of the Charity Commission.

If this service were charged at a rate of £300 a day this would amount to over £550,000 of dedication and service to fulfil the aims and purposes of the charity.

Both the London and Salford Parish Communities can boast a large group of lay volunteers who give their time, expertise and energy on a regular basis.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

Our Lady of Dolours London Parish and St Marys Priory identified 130 regular lay volunteers during 2024 (2023 ; 130). These included cleaners, flower arrangers and maintenance people along with money counters and others helping with administration. Alongside these are those involved in the actual Church services which include Choir members, Altar servers, Readers and ministers of the Eucharist. Outside the services and worship times there are catechists who prepare parents, children and young people for the sacraments; plus a faithful few who visit the housebound to bring Holy Communion or help with household chores. During 2024 over 20,000 hours were donated towards keep charitable activities (2023 ; 17,755 hours). The choir, for example, whose music animates the main 11 o'clock Mass each Sunday even achieved a short tour to sing at two Marian shrines during 2024, one in France and the other in Spain.

The monthly service for cancer sufferers and their families, took its usual place each month, and was appreciated by the disparate group that gathers from across the diocese and occasionally from further afield.

In 1991 one of the friars baptised a baby at Our Lady of Dolours Servite Church in 1991 with the name of Carlo Acutis. Although born here in London his parents returned to Milan before the end of the year and Carlo grew up there. In 2006 he was diagnosed with an aggressive form of leukaemia from which he died that autumn. He displayed extraordinary faith and charity throughout his short life and in 2021 he was proclaimed Blessed by the Catholic Church. As his extraordinary life is becoming better known there are an increasing number of 'pilgrims' coming to visit the church and in particular the baptistry to seek inspiration and blessings. Some parishes in the diocese who are preparing a group of young people to receive the Sacrament of Confirmation, arrange visits to our church to learn about the life and inspiration of Blessed Carlo Acutis and how his Christian faith animated his teenage life.

During 2023 a new shrine in Our Lady of Dolours Church was dedicated to Blessed Carlo, and in 2024 redecoration of the colonnade has provided an exhibition space to house a display of extracts from Blessed Carlo's internet activity as preparation to mark his Canonisation in 2025.

That year will also mark the 150th anniversary of the founding in London of Our Lady of Dolours Servite Church,

The Blessed Carlo Society aims at involving the youth of the parish, and 2024 saw the arrangement of a visit to an English shrine, that of Our Lady of Walsingham.

Our Lady of Dolours, Salford and Servite Priory

The Salford Servite Parish in Kersal reaches out to the youth with regular meetings of the Scouts, Guides, Beavers, Rainbows and Brownies. On the feast of Christ the King they assemble in church on parade and prayers are offered for all young people. Again it is lay volunteers who keep these groups alive and active.

The Kersal parish has a dedicated group of 11 lay volunteers who week by week reach out to the sick and housebound. Each of them spends at least an hour each week visiting one or two of the sickest people in the parish. This is prayerful support, but also keeps them in touch with the news and social events of the parish community.

The Kersal Parish was able to identify 125 regular lay volunteers during 2024 (2023 125). These would have performed many of the same tasks as those connected with the London Parish. In addition, in Kersal there are regular volunteers tending to the flower displays in the church, and those who help to keep the garden in good shape. There are volunteer housekeepers who keep the church sparkling, cooks to help with the shopping and preparation of meals for the clergy, and an active social group dedicated to the arts of sandwich production and of cake-making. Again when aggregated together this made over 7,000 voluntary hours' service in the course of the year (2023 ; 6,654 hours).

In total the two parishes combined to provide over 25,000 voluntary hours over the course of 2024 (2023 ; 24,000). Without this generous donation of time and expertise the Servite Friars Charity would not be able to function as well as it does.

**THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
REPORT OF THE TRUSTEES (continued)**

FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

Income in 2024 amounted to £850,578 (2023: £1,114,974). Expenditure in 2024 was £843,195 (2023: £967,880). Additionally in 2024 there were net gains on investments of £319,080, and a revaluation of the investment property by £160,000, leading to net income for the year of £486,464.

The previous year, 2023, saw a fall in market value for investments held, of £ (455,348), and with a devaluation of £(850,000) for the investment property, due to weakness in the rental market for office space, combining to deliver a result for that year of net expenditure £(103,470). A revaluation of the investment property at the end of 2024 partially restored its book value, to £2,160,000.

Reserves Policy

This policy was reviewed and amended in January 2022.

The *Servite Student Trust Fund* is a restricted Fund invested through the generosity of two donors. The principal donor stipulated that the interest should be used exclusively for the education of Servite Students. During 2024 30% (2023 : 48%) of the fund's dividends were used to educate our own student, while 65% (2023 : 52%) of the dividends earned in the year by the fund went to the education of international Servite students.

The *General Fund* is a contingency fund to underpin the central administration of the Charity and ensure continuity in the event of income variation. It is largely the result of some benefactors and fund raising in the early and middle part of the 20th century. It comprises 22% of the total portfolio (2023: 18%). Ideally it should be stronger to help fund lay assistants who will be needed to help maintain the level of service that has been offered over recent years.

Funds that have been held in custodianship on behalf of the former community in Northern Ireland, now form part of the Provincial General Fund because there is no longer a Servite Community resident at Benburb Priory.

The *Retirement and Welfare Fund* continues to play a pivotal role in the charity's finances as one friar is receiving long term care in the North of Ireland. This fund received a much-needed boost from the generosity of a deceased parishioner. Over 17 years the support for each of the elderly has more than trebled to an average of £660 per month for each friar. This payment is made to the community fund in which the friar resides.

The *Property Fund* was realised at the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair. In 2012 this fund stood at £442k and was run right back to £9k when buying back the 264 Fulham Road frontage. It is now being built up ready for the next realignment, 2024 £295,700, (2023 £259,369).

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at 264 Fulham Road in London.

The *Church Restoration Fund* was set up as a separate charity in the 1980s to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Church, Fulham Road,, a grade II listed building. At the beginning of 2016 the charity was dissolved and the remaining funds becoming a Restricted fund within the main charity. By the end of 2022 it had reached £110k. Necessary repairs to some of the external stone-work urgently required during 2023, consumed capital growth, and some of the capital itself, so that the fund stood at £99,069 at the close of 2024. (2023 ; £78,909).

The *Special Projects Fund* This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities and good causes and so safeguards ordinary income streams. .

Investment Strategy

The new investment policy was worked out towards the end of 2021 and received approval from the Trustees in January 2022.

The Provincial Finance Council will take the advice of qualified financial experts, the respective brokers in each of the three Investments, but also through membership of the Church Investors Group, and the Association of Provincial Bursars in the UK and Ireland. Environmental, social and governance factors are core to our investment strategy and should be analysed and fully integrated within the investment process. This includes active engagement, participation in voting and helping to promote best practice in each of these areas.

The trust precludes investment in any companies that derives more than 10% of their revenue from tobacco, gambling, pornography, or armaments.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Finance Council are requested to look into the moral status and operating methods of the different companies to ascertain that they are broadly in line with our Servite and Christian ethos. We are totally committed to the protection of human life from conception to death, therefore, special care needs to be taken to protect human life, even in the womb. This should be borne in mind when investing in pharmaceuticals or medical research.

It is also requested that a company's international record is monitored, especially where it has dealings with countries where UN recognised human rights are severely restricted. A failure in this area would be tantamount to condoning and cooperating in the oppression of the ordinary citizens and the common good.

Because of the urgency of the present moment companies must be carefully checked as to their transparency in disclosing their carbon footprint, their plans to decrease it, and the sustainability and fair employment involved in their supply lines. It is envisaged that all portfolios will have no investment in carbon fuels by 2025.

Impact investing is part of our overall strategy. It allows us to align more closely to our charitable objects and promote a more sustainable economy in line with our Christian beliefs and ministry while still being an economically sound investment.

The investment Properties

Ohana Centre Ltd has assumed the day to day running of the specialised nursery, they have extended their lease to 2027.

The frontage on Fulham Road, (T block) has been let to Nammu Workplace Ltd. When they signed the lease in March 2023 they promptly set about a refiguration of the internal rooms. Nammu workplace Ltd hold a five year lease, with an option to extend by a similar term.

John Yianni of May & Co, estate agents, continues to use the basement of 262 Fulham Road for storage. Mr Yianni's lease is until 2032.

FUTURE PLANS

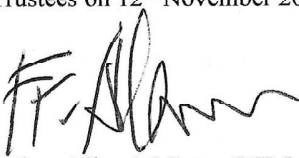
The year 2025 will be an eventful year for the parish of Our Lady of Dolours, Fulham Road. It will mark 150 years since the Church was built and opened in September 1875 by Cardinal Henry Manning, Archbishop of Westminster. A planning committee is in place so that this significant event can be properly commemorated and celebrated.


It is confidently expected that Blessed Carlo Acutis will be canonised in Rome, during 2025 and again a group, representing the parish of his baptism, are saving and planning to be present in Rome for that significant moment.

Auditors

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP. A resolution proposing the re-appointment of HaysMac LLP as auditors to the charity was approved at the annual general meeting.

Approved by the Trustees on 12th November 2025, and signed on their behalf by:


Father Allan M Satur OSM
(Trustee)


Father Patrick M Ryall OSM
(Trustee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE SERVITE FRIARS, PROVINCE OF THE ISLES

Opinion

We have audited the financial statements of The Servite Friars, Province of the Isles for the year ended 31 December 2024 which comprise the Balance Sheet, Statement of Financial Activities, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 17/11/2025

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

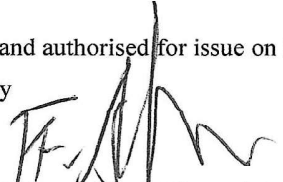
THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

BALANCE SHEET, AS AT 31 DECEMBER 2024

		2024	2023
	Notes	£	£
FIXED ASSETS			
Tangible fixed assets	2	2,320,893	2,388,665
Investment Property	3	2,160,000	2,000,000
Investments	4	5,165,496	4,846,413
		9,646,389	9,235,078
CURRENT ASSETS			
Debtors	5	219,280	137,601
Cash at bank		220,705	252,560
		439,985	390,161
CREDITORS: Amounts falling due within one year	6	(52,026)	(78,216)
NET CURRENT ASSETS		387,959	311,945
TOTAL ASSETS LESS CURRENT LIABILITIES		10,034,348	9,547,023
CREDITORS: Amounts falling due after more than one year	7	(60,243)	(59,382)
NET ASSETS		9,974,105	9,487,641
FUNDS			
Restricted:			
- Student Trust Fund		1,233,558	1,168,191
- Parish Fund		131,546	84,414
- Church Restoration Fund		99,069	78,909
		1,464,173	1,331,514
Unrestricted:			
Designated			
- Fixed Assets Fund		2,320,893	2,388,665
- Investment Property Fund		2,160,000	2,000,000
- Property Development Fund		295,700	259,369
- Retirement and Welfare Fund		1,862,232	1,709,411
- School Governors' Fund		137,415	104,815
- Special Projects Fund		251,829	228,734
- St Mary's Priory Fund		414,458	396,675
General Fund		1,067,405	1,068,458
		8,509,932	8,156,127
TOTAL FUNDS		9,974,105	9,487,641

Approved by the Trustees and authorised for issue on 12 November 2025

and signed on their behalf by


Father Allan M Satur OSM
(Trustee)


Father Patrick M Ryall OSM
(Trustee)

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted Funds £	Restricted Funds £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Salaries and pensions		52,192	-	52,192	92,372
Donations and legacies		116,576	291,438	408,014	694,234
<i>Other Trading Activities:</i>					
Rent and service charges		228,448	47,859	276,307	151,754
<i>Charitable activities:</i>					
Local communities and parishes		-	-	-	-
<i>Investments</i>	9	89,739	24,326	114,065	176,614
Total		486,955	363,623	850,578	1,114,974
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Communities, parishes and their ministry		(607,472)	(235,722)	(843,194)	(967,880)
Total	11	(607,472)	(235,722)	(843,194)	(967,880)
Net (expenditure)/income before gains on investments		(120,517)	127,901	7,384	147,094
Net gains/on investments	4	251,283	67,797	319,080	106,792
Gain on revaluation of investment property	3	160,000	-	160,000	-
Net income/(expenditure)		290,766	195,698	486,464	253,886
Transfers between funds		63,041	(63,041)	-	-
Net movement in funds		353,807	132,657	486,464	253,886
<i>Reconciliation of funds:</i>					
Fund Balances brought forward (as restated)		8,156,127	1,331,514	9,487,641	9,233,755
Fund Balances carried forward		8,509,934	1,464,171	9,974,105	9,487,641

All the charity's activities over the two financial years above are derived from continuing activities. There are no other recognised gains and losses other than those included above. The accompanying notes form part of these accounts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows for operating activities:			
Net cash used in operating activities	14	(423,089)	(141,239)
Cash flow from investing activities:			
Dividends, interest and rent from investments		390,372	328,368
Proceeds from sale of investments		1,845,619	3,726,712
Purchase of investments		(1,810,649)	(3,986,716)
Purchase of fixed assets		-	-
Net cash provided by investing activities		<u>425,342</u>	<u>68,364</u>
Change in cash and cash equivalents in the year		(31,855)	(72,875)
Cash and cash equivalents at the beginning of the year	15	252,560	325,435
Cash and cash equivalents at the end of the year		<u>220,705</u>	<u>252,560</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) 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 estimating the economic useful life of tangible fixed assets.

(c) 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 one year from the date of approval of these accounts.

The Trustees of the charity 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 two accounting periods, the years ending 31 December 2024 and 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).

(d) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are carried at fair value. No depreciation is charged on investment properties.

(e) Tangible Fixed Assets

Land and buildings are shown at 10% of their insurance valuation plus additions since January 1999 at cost.

Depreciation is provided evenly over the estimated useful lives of each asset.

Buildings	- 2% per year
Fixtures & Fittings	- 10% per year
Motor vehicles	- 25% per year

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Restricted Funds

The restricted fund represents donations received with specific restrictions placed by the donors which have not yet been spent.

(k) Designated Funds

The designated funds represent amounts set aside by the Trustees to fulfil specific charitable objectives.

(l) Income

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Collections and donations are included in the accounts when received.

Members' salaries – there are no friars/members receiving salaries during 2024.

Rental income is stated gross of any fees deducted and is recorded on an accruals basis.

Investment income is credited to income when it is 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(m) Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of irrecoverable VAT.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2. FIXED ASSETS

Land and buildings are mainly in use by the Province and are not generally available for sale.

	Land and Buildings £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
As at 1 January 2024	3,327,932	5,099	57,399	3,390,430
Additions	-	-	-	-
As at 31 December 2024	<u>3,327,932</u>	<u>5,099</u>	<u>57,399</u>	<u>3,390,430</u>
DEPRECIATION				
As at 1 January 2024	945,394	1,785	54,586	1,001,765
Charge for the year	66,559	510	703	67,772
As at 31 December 2024	<u>1,011,953</u>	<u>2,295</u>	<u>55,289</u>	<u>1,069,537</u>
NET BOOK VALUE				
As at 31 December 2024	<u>2,315,979</u>	<u>2,804</u>	<u>2,110</u>	<u>2,320,893</u>
As at 31 December 2023	<u>2,382,538</u>	<u>3,314</u>	<u>2,813</u>	<u>2,388,665</u>

3. INVESTMENT PROPERTY

The part of the charity's premises at 262a Fulham Road (known as the 'T-Block') is an investment property as it is let out for commercial use. It was revalued at 31 December 2024 by the Trustees at a fair value of £2,160,000.

Valuation	£
At 1 January 2024	2,000,000
Revaluation	160,000
At 31 December 2024	<u>2,160,000</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

4. INVESTMENTS

	Unrestricted £	Restricted £	2024 £	2023 £
Market Value as at 1 January 2024	3,609,415	1,236,998	4,846,413	4,479,617
Additions	1,319,808	490,841	1,810,649	3,986,716
Disposals	(1,346,144)	(499,475)	(1,845,619)	(3,726,712)
Net investment gains (realised & unrealised)	277,621	76,432	354,053	106,792
Market Value as at 31 December 2024	<u>3,860,700</u>	<u>1,304,796</u>	<u>5,165,496</u>	<u>4,846,413</u>
Cost as at 31 December 2024	<u>3,284,536</u>	<u>1,189,961</u>	<u>4,474,497</u>	<u>4,440,728</u>

Analysis of Investments	2024 £	2023 £
Unit Trusts	5,121,470	4,813,121
Cash held as part of an investment portfolio	44,026	33,292
	<u>5,165,496</u>	<u>4,846,413</u>

5. DEBTORS

	2024 £	2023 £
Other Debtors	-	7,451
Prepayments and accrued income	219,280	102,544
VAT recoverable	-	27,606
	<u>219,280</u>	<u>137,601</u>

6. CREDITORS: Amounts falling due within one year

	2024 £	2023 £
Other creditors	2,787	1,619
Accruals and prepaid income	49,238	76,597
	<u>52,025</u>	<u>78,216</u>

7. CREDITORS: Amounts falling due after more than one year

	2024 £	2023 £
Rent deposit	<u>60,243</u>	<u>59,382</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

FOR THE YEAR ENDED 31 DECEMBER 2024

8. MOVEMENT IN FUNDS - 2024

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	1 January 2024 £	Inc £	Exp £	Realised & unrealised Gains on Investmts £	Transfers between Funds £	Balance at 31 December 2024 £
Restricted Funds						
- Students	1,168,191	23,225	(19,469)	62,740	(8,609)	1,226,078
- Parishes	84,414	320,392	(190,717)	-	(143,264)	70,825
- Church Restorn	78,909	20,006	(25,536)	5,057	19,896	98,332
Restricted Total	1,331,514	363,623	(235,722)	67,797	(131,977)	1,395,235
Designated Funds						
- Fixed Assets	2,388,665	-	(67,772)	-	-	2,320,893
- Investmt Property	2,000,000	-	-	160,000	-	2,160,000
-Property& Devt	259,369	22,433	(31,243)	17,275	(1,397)	266,437
-Retiremt & Welfare	1,709,411	72,967	(30,525)	118,790	(18,753)	1,851,890
-School Governors'	104,815	-	-	32,599	-	137,414
-Special Projects	228,734	11,294	(4,800))	15,147	-	250,375
-Priories	396,675	102,672	(153,756)	24,451	38,121	408,163
Designated Total	7,087,669	209,366	(288,096)	368,262	17,971	7,395,172
General Fund	1,068,458	277,589	(319,376)	43,021	114,006	1,183,698
Unrestricted Total	8,156,127	486,955	(607,472)	411,283	131,977	8,578,870
TOTAL FUNDS	9,487,641	850,578	(843,194)	479,080	-	9,974,105

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

MOVEMENT IN FUNDS – 2023

	1 January 2023 £	Income £	Expenditure £	Transfers and gains on Investments £	Balance at 31 December 2023 £
Restricted Funds					
- Students	1,185,963	25,954	(11,116)	(32,610)	1,168,191
- Parishes	288,095	369,682	(431,222)	(142,141)	84,414
- Church Restn Fund	110,487	39,645	(80,114)	8,891	78,909
	<u>1,584,545</u>	<u>435,281</u>	<u>(522,452)</u>	<u>(165,860)</u>	<u>1,331,514</u>
Designated Funds					
- Fixed Assets	2,456,671	-	(68,006)	-	2,388,665
Investment Property	2,000,000	-	-	-	2,000,000
-Property & Development	248,392	37,396	(37,449)	11,030	259,369
-Retirement & Welfare	1,618,983	39,069	(10,100)	61,459	1,709,411
-School Governors'	100,670	1,737	(883)	3,291	104,815
-Special Projects	213,829	5,501	(150)	9,554	228,734
-Priors	351,572	119,631	(109,373)	34,845	396,675
	<u>6,990,117</u>	<u>203,334</u>	<u>(225,961)</u>	<u>120,179</u>	<u>7,087,669</u>
General Fund	659,093	476,359	(219,467)	152,473	1,068,458
	<u>9,233,755</u>	<u>1,114,974</u>	<u>(967,880)</u>	<u>106,792</u>	<u>9,487,641</u>

The *Servite Students Trust Fund* represents monies received for the training and education of Friars. This balance is held as part of the investment portfolio.

The *Parish Fund* represents monies raised by the Parish worshipping community and can only be used in the local parish to meet the needs of that community.

The *Church Restoration Fund* represents monies set aside to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Servite Church, London.

The *Fixed Assets Fund* is maintained at book value and represents the net investment in fixed assets.

The *Investment Property Fund* was realised on the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair.

The *Retirement and Welfare Fund* was begun in 1993 to fund Servite Friars in their retirement. Most friars receive no state pension or less than the basic pension despite having spent all their adult life in service of the public. In 1999 the fund began paying a modest payment to all communities that have senior members among their number.

The *Special Projects Fund*. This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2024

	Fixed Assets	Investments	Net Current Assets	Debtors	Creditors	Creditors due after 1 year	Total
Restricted							
Students							
Trust fund	-	1,220,897	9,484	3,176	-	-	1,233,557
Parish fund	-	-	66,256	66,032	(742)	-	131,546
Church							
Restoration							
fund	-	83,900	7,729	7,440	-	-	99,069
Total	-	1,304,797	83,469	76,648	(742)	-	1,464,172
Restricted							
Designated							
Fixed Assets							
fund	2,320,893	-	-	-	-	-	2,320,893
Investment							
Property	-	2,160,000	-	-	-	-	2,160,000
Property &							
Devt fund	-	276,054	3,638	16,765	(757)	-	295,700
Retirement							
& Welfare							
fund	-	1,821,663	2,393	39,843	(1,667)	-	1,862,232
School							
Governors'							
fund	-	137,415	-	-	-	-	137,415
Special							
Projects fund	-	242,007	2,514	7,662	(354)	-	251,829
St Mary's							
Priory fund	-	390,723	10,183	14,702	(1,150)	-	414,458
Total	2,320,893	5,027,862	18,728	78,972	(3,928)	-	7,442,527
Designated							
General	-	992,838	118,508	63,660	(47,357)	(60,243)	1,067,405
fund							
Total	2,320,893	6,020,700	137,236	142,632	(51,285)	(60,243)	8,509,933
Unrestricted							
Total Assets	2,320,893	7,325,497	220,705	219,280	(52,027)	(60,243)	9,974,105

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue)

FOR THE YEAR ENDED 31 DECEMBER 2023

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2023

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,158,157	10,034	-	1,168,191
- Parish Fund	-	-	84,414	-	84,414
- Church Restoration Fund	-	78,842	67	-	78,909
Servite Friars Fund					
Designated:					
-Fixed Assets Fund	2,388,665	-	-	-	2,388,665
-Investment Property Fund	-	2,000,000	-	-	2,000,000
-Property & Development Fund	-	258,779	590	-	259,369
-Retirement and Welfare Fund	-	1,702,873	6,538	-	1,709,411
-School Governors' Fund	-	104,815	-	-	104,815
-Special Projects Fund	-	226,859	1,875	-	228,734
-St Mary's & Kersal Priory Fund	-	366,273	30,402	-	396,675
General	-	949,815	178,025	(59,382)	1,068,458
	<u>2,388,665</u>	<u>6,846,413</u>	<u>311,945</u>	<u>(59,382)</u>	<u>9,487,641</u>

10. INVESTMENT INCOME

	2024 £	2023 £
Income from UK quoted investments	113,125	175,410
Bank interest	940	1,204
	<u>114,065</u>	<u>176,614</u>

11. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

The trustees of the Charity are also members of the Province and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the five trustees are therefore borne by the Charity. During 2024, P M O'Brien, the brother of a trustee, Father Christopher O'Brien, was paid £4,531 (2023: £4,379). There were no amounts owing or owed at the year-end.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

12. ANALYSIS OF EXPENDITURE - 2024

	Staff Costs £	Donations £	Other £	2024 £	2023 £
Charitable activities:					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	10,657		29,960	40,617	16,123
- London	38,116		75,022	113,138	94,250
Parishes:					
- Kersal	9,424		39,462	48,886	105,893
- London	25,190	1,799	114,842	141,831	325,329
Province	94,640	95,279	308,802	498,721	426,285
	<u>178,027</u>	<u>97,078</u>	<u>568,088</u>	<u>843,193</u>	<u>967,880</u>

All costs are directly attributable to the activities under which they have been analysed.

Included in the above are the following:

Fees paid to the auditors:

Audit fees	20,400	14,000
Other fees	34,958	5,300
Depreciation	67,772	68,006
Donations	97,078	119,225

ANALYSIS OF EXPENDITURE - 2023

	Staff Costs £	Donations £	Other £	2023 £	2022 £
Charitable activities:					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	8,173	600	7,350	16,123	31,053
- London	26,077	8,600	59,573	94,250	130,034
Parishes:					
- Kersal	8,160	6,211	91,522	105,893	56,509
- London	37,179	9,278	278,872	325,329	217,689
Province	60,375	94,536	271,374	426,285	770,064
	<u>139,964</u>	<u>119,225</u>	<u>708,691</u>	<u>967,880</u>	<u>1,205,349</u>

Included in the above are the following:

Fees paid to the auditors:

- Auditors' remuneration	14,000	12,650
Other fees	5,300	7,000
Depreciation	68,006	74,040
Donations	119,225	142,572

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

13. STAFF COSTS

	2024 £	2023 £
Gross salaries	151,658	133,458
Employer's NI	10,243	6,506
	<u>161,901</u>	<u>139,964</u>

No trustees (who are the charities key management personnel) received remuneration for their services during the current or prior year. No trustees received any reimbursed expenses during the current or prior year.

During the year we had a part-time cleaner in the community of St Mary's Priory but she also did some cleaning for the Parish, which the London Parish account refunded to St Mary's accounts.

During 2024 there were 1 full time and 9 part time employees for the full year (2023 – 1 full time and 9 part time employees for part of the year).

14. RECONCILIATION OF NET INCOME TO NET CASH FLOW FOR OPERATING ACTIVITIES

	2024 £	2023 £
Net (expenditure)/ income for the year as per the Statement of Financial Activities	488,108	253,886
Adjustments for:		
Depreciation charges	67,772	68,006
Gains on revaluation of investment property	(160,000)	-
Gains on investments	(319,083)	(106,792)
Dividends, interest and rents from investments	(390,372)	(328,368)
(Increase)/decrease in debtors	(81,679)	20,409
(Decrease) in creditors	(27,835)	(48,380)
Net cash used in operating activities	<u>(423,089)</u>	<u>(141,239)</u>

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Bank accounts	<u>220,705</u>	<u>252,560</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

16. STATEMENT OF FINANCIAL ACTIVITIES 2023	Unrestricted Funds £	Restricted Funds £	2023 £
INCOME FROM:			
<i>Donations and legacies:</i>			
Salaries and pensions	92,372	-	92,372
Donations and legacies	382,364	311,870	694,234
<i>Other Trading Activities:</i>			
Rent and service charges	91,942	59,812	151,754
<i>Charitable activities:</i>			
Local communities and parishes	-	-	-
<i>Investments</i>	113,015	63,599	176,614
Total	679,693	435,281	1,114,974
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Communities, parishes and their ministry	(445,428)	(522,452)	(967,880)
Total	(445,428)	(522,452)	(967,880)
Net income/(expenditure) before(losses)/gains on investments	234,265	(87,171)	147,094
Net(gains on investments	84,285	22,507	106,792
Net income/(expenditure)	318,550	(64,664)	253,886
Transfers between funds	188,367	(188,367)	-
Net movement in funds	506,917	(253,031)	253,886
<i>Reconciliation of funds:</i>			
Fund Balances brought forward	7,649,210	1,584,545	9,233,755
Fund Balances carried forward	8,156,127	1,331,514	9,487,641

**THE SERVITE FRIARS, PROVINCE OF THE ISLES
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 DECEMBER 2024**

This page does not form part of the audited accounts

	Ordinary Receipts £	Ordinary Payments (including Subsidiaries) £	2024 £	2023 £
Community				
Kersal	48,091	(53,271)	(5,180)	1,888
London	173,380	(181,163)	(7,783)	8,370
Parish				
Kersal	85,204	(81,834)	3,370	(35,455)
London	235,495	(252,453)	(16,958)	(53,138)
	-----	-----	-----	-----
Surplus of Communities, Parishes and others	<u>542,170</u>	<u>(568,721)</u>	<u>(26,551)</u>	<u>(78,335)</u>
PROVINCIAL FUND				
Ordinary Receipts				
Dividends and interest			107,150	167,915
Donations & Legacies			106,904	361,057
Salaries & pensions			26,605	59,303
Rental income			186,855	37,103
Provincial contribution			53,499	-
Sundry			12,807	282
			-----	-----
			493,820	625,660
ORDINARY PAYMENTS				
Studies and sabbaticals			(760)	(10,364)
Travel and car expenses			(7,538)	(3,064)
Office costs			-	(11,291)
Chapter			(2,600)	(3,216)
Wages			(70,054)	(32,666)
Professional fees			(53,358)	(101,927)
General			(47,199)	(33,610)
Rates			-	(208)
Donations			(95,279)	(94,536)
Bank charges and interest			(3,785)	(3,676)
Repairs and maintenance			(45,406)	(194,358)
Curia			(21,443)	-
Insurance			(42,792)	(46,790)
Depreciation			(67,772)	(68,006)
HMRCt			19,649	(17,706)
Healthcare			-	-
R&W Pension			(21,548)	(21,150)
Re-distribution of funds expenditure			-	242,337
			-----	-----
			(459,885)	(400,231)
(Deficit)/surplus of Provincial Fund			(33,935)	225,429
			-----	-----
Charity (Deficit)/surplus before investment (losses)/gains			7,384	147,094
(Decrease)/increase in market value of investments			319,080	106,792
(Decrease)/increase in valuation of investment property			160,000	-
			-----	-----
Surplus for the year			486,464	253,886
Transfers between Funds			-	-
Net Movement in Funds			486,464	253,886
Fund balances brought forward			9,487,641	9,233,755
			-----	-----
Fund balances carried forward			<u>9,974,105</u>	<u>9,487,641</u>

Accounts

**THE TRUSTEES OF THE SERVITE FRIARS,
PROVINCE OF THE ISLES
(A Registered Charity)**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity Number: 249148

THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES OF THE SERVITE FRIARS

FOR THE YEAR ENDED 31 DECEMBER 2023

Trust property held in connection with the Brothers Servants of the Blessed Virgin.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Father Christopher O'Brien OSM
Father Patrick Ryall OSM
Father Colm McGlynn OSM
Father Vincent Coyne OSM
Father Liam Tracey OSM
Father Allan Satur OSM
Father Paul Addison

Prior Provincial (Chair)

Father Colm McGlynn OSM

Provincial Treasurer

Father Christopher O'Brien OSM

Principal Address

St Mary's Priory
264 Fulham Road
London SW10 9EL

Telephone

020 7352 6965

Website

www.servitefriars.com

Charity Registration Number

249148

Auditors

HaysMac LLP
10 Queen Street Place
London EC4R 1AG

Bankers

The Royal Bank of Scotland
Relationship Management Team
6th Floor
1 Princes Street
London EC2R 8BP

Investment Managers

Epworth Investment Management Limited
9 Bonhill Street
London EC2A 4PE

Solicitors

Carter Lemon Camerons LLP
10 Aldersgate Street
London EC1A 4HJ

Property Adviser

Will Saxby MRICS Dip Proj Man

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

The first Trust deed of the Servite Order was registered with the Commissioners in 1878 under the number 249138. Then on 4 April 1935 another deed was drawn up under the title *The Brothers Servants of the Blessed Virgin*, with our present no 249148. Carrying forward this tradition of service the Trustees now present their report for the financial year ending the 31 December 2023.

INTRODUCTION

The Brothers Servants of the Blessed Virgin more often known as the Servite Friars live in two communities, one in London and the other in Salford. In both locations they are responsible for the pastoral care of a Church and the surrounding Catholic community. Another friar, living alone, has similar responsibilities for a Parish Church in Bath.

The Servite Friars have offered pastoral care and support in London since 1864 although the origins of the Order date from the thirteenth century.

During 2023 our long-standing ministry and pastoral care continued following the pandemic restrictions of the previous years. Our tradition, derives from the Servite Constitutions and the Province of the Isles Servite Directory, together with our Trust Deed dating back to 1935.

There are Servite Primary Schools in both the London and Salford parishes where The Servite Friars are Trustees and responsible for these Voluntary Aided Schools. The Servite Primary School in London has 210 pupils while St Philips Primary School in Salford has 320 pupils. The Servite Friars are Foundation Governors to both.

In accordance with a well-founded tradition support was given to our General Council in Rome, and to the Pontifical University, the Marianum. This international service is reviewed every six years and a new General Council elected. The next General Chapter will be in 2025 and preparations are already in hand.

In recent times the three parishes in London, Salford and Bath would have a weekly footfall in excess of 1,500. Each Mass, or Service, would have an attendance of between 100 and 400. On certain days during the year this figure would be even greater marking the highlights of the Christian calendar such as Christmas and Easter or other special celebrations such as First Communions, and Confirmations.

Also, during the year there would be a variety of other community celebrations such as Baptisms, Marriages and Funerals. These would all draw a congregation from far and wide and in the case of marriages and funerals need to be arranged in conjunction with state registrars.

Mission

The Servite Order in the UK aims to use their resources for religious, educational and other charitable purposes in connection with the Roman Catholic Church (Trust Deed 1935).

- ❖ For the purposes of this report, the principal service, at present, would be the pastoral care of three parish churches and their congregations and the use of the parish centres and facilities for the people in the surrounding area. These are located in London, Salford, and Bath. (cf Trust Deed clause 5 section i)
- ❖ The friars in the London and Salford parishes have responsibility for the local Voluntary Aided schools both as Trustees and Governors.
- ❖ It would be seen as an integral part of our service to support the Order in its central administration and to support Servite Friars, and the Church generally, in the developing world. There is also a long tradition of helping other related charities both at home and abroad.
- ❖ The care of the sick and elderly among the province's friars who have spent a life-time in service of the Church, the Order and Society at large. (cf Trust Deed clause 5 sections vi & vii) The English charity shares this responsibility for one of the Irish friars who is being cared for in a care home in the North of Ireland.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

GOVERNANCE, STRUCTURE AND MANAGEMENT

From its inception the Servite Order have followed a rule of Life, the Constitutions, and these have the approval of the Catholic Church and are in conformity with Canon Law. These have been upgraded and amended periodically, the last time the Constitutions were amended was in September 2015. The local friars also have a Directory which adjusts the Order's rules to local circumstances and in our case, to be in line with UK charity law. The Directory was approved and updated in 2017.

The UK charity "Trust Property held in connection with Brother Servants of the Blessed Virgin Servite Fathers", known as The Servite Friars, together with an Irish Charity "Servite Community - Rathfarnham", and with "Order of Mary Servite Trust", a charitable incorporated organisation (CIO) in Northern Ireland, constitute the Servite Province of the Isles

The Province of the Isles has a leadership team consisting of the Prior Provincial and four Provincial Councillors. Each year there is a Provincial Chapter when the friars meet to discuss policy and procedures. This can mandate the Provincial and his Council to implement proposals and directives. It can also take the form of in-service training. The Provincial Chapter approves local by-laws known as the Directory. This document takes cognisance of Church Law and appropriate Civil law. Every fourth year a Provincial Chapter of Elections takes place, when elections and appointments to the various offices are effected.

Between Provincial Chapters, the responsibility for the direction of the Province (the Charity) rests with the Provincial and his Council (cf Deed of Variation 21 Sep 1971). Where possible the Trustees are drawn from the Provincial Council. All trustees are members of the Order and they have a detailed knowledge of the work of the Charity and its structure; even so new trustees when appointed are reminded of the Charity Commission Guidance and are given a refresher course on the principal responsibilities of the charity its resources and aims and the relationship with our professional advisors; solicitors, auditors, stockbrokers, the bank relationship team, and investment and property advisers.

Risk Management

In line with the requirement of trustees the Charity has made an assessment of risk and identified the following areas:

Governance

Operational

Financial

Reputational

Laws, regulations, external and environment

Governance The Province of the Isles has seventeen friars and their presence in England and Ireland is reported through to the three relevant civil authorities and registrations. Each year the friars gather for a Provincial Chapter and this is when the AGM of the English Charity is held. All members continue to receive copies of the minutes.

Operational The responsibility for buildings such as the Pories is the direct responsibility of the Prior Provincial and the Provincial Council and their delegates; the local Priors. The well-being of the Parish churches and Parish properties are with the appointed parish team, together with their lay committees under the direction of the Parish Priest who is appointed by the Provincial Council. The worst possible interruption would be severe damage to one of the Churches. The safety net would be to use the nearby school halls on a temporary basis.

Financial The overall management of financial policy lies with the Provincial Finance Council who regulate the local centres of operation, the reserves policy is under review with professional advisers and records are kept of these meetings and conveyed to the Trustees at each of their meetings.

The main sources of weekly income are the Churches and parochial weekly donations.

Our *Pension and Welfare Cover* remains a financial priority .

The care of the elderly is an enduring concern and the internal fund continues to support two of the friars in residential care homes. An effort has been made to increase this fund, dedicated to the help of the elderly, in line with ever increasing inflationary pressures.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

Laws, regulations, external and environment. In order to follow changes in government policies, and to guard against the consequences of non-compliance with laws and regulations, the Provincial Treasurer is a member of the Association of Provincial Bursars. Within the past year a Finance Manager has been appointed who brings with him wide experience in working for a charitable organisation.

Methods of holding personal information have been looked at afresh in the light of the GDPR legislation. Volunteers and contributors to the parishes are being asked to sign a new form of acceptance that their details are held on file for this purpose.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems, and by examining the operations and business risks faced by the charity, they have established effective systems to mitigate those risks. The Risk assessment Policy was revised in March 2022.

Protection of Children and vulnerable Adults. Each trustee meeting checks on the procedures being followed in the order's communities, and among the parishioners and other lay helpers under the guidance of the recently created RLSS, Religious Life Safeguarding Service, supported by supervisory web meetings.

THE PRIOR PROVINCIAL AND COUNCIL (TRUSTEES)

Besides the regular Council meetings, the Prior Provincial together with the Provincial Secretary are responsible for communications both within the Province and with our Generalate in Rome, as well as other Priors Provincial.

On a day-to-day basis this is by way of emails and online newsletters.

English continues to be a much-used language through-out the Order and a variety of tasks involving translation work come to the Province. The Provincial Secretary continues to be much involved in this initiative.

The Trustees

Fr Colm McGlynn : Prior Provincial/Chair of Trustees

Fr Colm joined the Order in 1980. Colm has served in all parts of the Province, Dublin, the North of Ireland, Scotland and England and he has served as Parish Priest in Dublin and Dundee. He has also had experience working with the Order in the Philippines. Colm served for several terms on the Provincial Council. He was awarded a B A in Humanities from Dublin City University in 2005. He served as Assistant Provincial and is now in his second term as Provincial.

Fr Liam Tracey : Assistant Provincial

Liam joined the Servites in 1980. He has an STB from Dublin and a Doctorate in Liturgy from the Anselmianum, Rome 1996. For 20 years he was the Liturgy Professor in Maynooth University. He also acted as Conventual Prior on several occasions and has now assumed the role of Parish Priest in the Marley Grange, parish in Dublin. In September 2021 he was elected as Assistant Provincial and member of the Provincial Council.

Fr Paul Addison : Provincial Secretary.

Fr Paul joined the Servite Order in August 1958. After studies he had two terms serving on the central administration in Rome. Fr Paul has been responsible for the education and formation of student friars. As part of this ministry he has given courses and lectures in Italy, the USA, France, India and Uganda. He had a first period as Prior Provincial (chair of the charity) in 1991-1997. During that time he also served on the Board of the Servite Houses (housing association) now known as Optivo. He continues to serve on the Council as Provincial Secretary.

Fr Christopher O'Brien : Provincial Treasurer

Fr Christopher joined the Servite Order in 1965. In his early years he was engaged in teaching in both ordinary and special schools. From 1982-1996 he was engaged in educating Servites in Dublin, Oxford, Lesotho and Normandy in France. He has been a member of the Provincial Finance Council since 1980 but only assumed the Office of Provincial Treasurer in the year 2000. Since 2007 he has been a member of the Servite General Council of Administration which sets the budget for the Servite General Council. Besides financing the Generalate, the Council oversees the administration of the Servite University in Rome, the Marianum.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

Fr Allan Satur

Fr Allan entered the Servite Order in 1994. He studied in Cebu and Rome and began his pastoral ministry in the Philippines. He joined the London community in 2012 and was awarded a Masters in Pastoral Theology in 2018. In October 2021 he was appointed Parish Priest in London after having been elected to the Provincial Council and Trustees in September of that year.

Fr Patrick Ryall

Fr Patrick joined the Servite Order in 1963. He spent 12 years in the London Parish 9 of them as Parish Priest. He has also served as a student master; 9 years in Oxford and 3 in Rome. In 1997 he again served as Parish Priest in London before serving as the first Prior Provincial of the newly formed Province of the Isles from 2000-2009. He also served on the board of Servite Houses now known as Optivo. From 2010-2021 he was once more elected Prior and Parish Priest of the London Community.

Fr Vincent Coyne

Fr Vincent joined the Servite Order in September 1959. After upgrading his STL degree with a Certificate of Education, he taught at St Peter's High School, Manchester from 1973-1979. From 1985 -1991 he served as Prior Provincial and chair of the Trust. Since 1997 he has again been involved in Parish ministry and is at present Prior and Parish priest at Our Lady of Dolours Church, Kersal, Salford.

Public benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. These requirements are addressed in this report.

Statement of Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees of the charity 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 net income or expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with 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.

Activities, Specific Objectivities and Relevant Policies

In accordance with a long-standing tradition the Province has continued to contribute and support the international **Servite Generalate based in Rome**. During 2023 £35,520 was sent through to Rome of which £19,180 was earmarked to support the **Marianum**, the Servite University in Rome. These sums are agreed and budgeted for at the General Council of Administration during the spring of each year, when a full detailed report is given at the Council of Administration of the income and expenditure of the previous calendar year. The Treasurer of the Province is member of this General Council of Administration. The 2024 meeting is scheduled to take place in the Order's Priory in Ottawa.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Benburb Library, Museum and Provincial Archive

This facility while existing within the Northern Ireland Trust (Order of Mary Servite Trust) conserves all the English and Irish charitable trusts' archives, and so Provincial funds continue to offer support. In particular, during 2023 the London based trust provided £109,370 made up of the Service Level Agreement for the Library and Archive (£75,000) and Priory Insurance (£34,321). These expenses were off-set by receiving £63,321 from the related charity based in the Republic of Ireland plus a further £30,000 provided by the Friends of Benburb.

Servite Missions and Various charities supported by our Trust

Our Servite Communities in England along with the support of the Parishes have continued to support other Servite friars working in more challenging parts of the world. 2023 saw our continued support for the student programme in the **Philippines**, £14,030. In recent years they have recruited and trained some students from Vietnam and plans are afoot to open a community in Vietnam in 2024. We also continued with our support for the friars in **Mozambique** who are offering support and a safe environment to the youth of Matola in an after-school hours Project. In 2023 we donated £2,000.

With the continuation of the conflict in **Ukraine**, our charity contributed £2,000 to aid the displaced and injured of that country.

Alongside these calls for help the Charity continued its long-term support of efforts towards relief from poverty and hunger in the world, with support for CAFOD totalling £6,883. We also contributed £1,000 to Marriage Care and £1,000 to Housing Justice. We also supported a variety of smaller charities to the tune of £10,300.

Volunteers (Friars)

Area of Service	Number of Volunteers	Hours per year
Preparing and celebrating Services	6	4,000
Pastoral Planning, teaching, meetings, Study	6	2,350
Home visit of elderly and sick	5	1,000
Administration	5	5,525
One to one direction and guidance	5	1,150
Hospital Visits	4	830
School Meetings, teaching	4	850
Community Care and Service	2	600

Throughout the year the friars give their time and energy serving the aims of the Charity. They either received no specific financial reward or else pay their earnings or stipends into the common fund.

Most of the friars are past retiring age but continue to serve according to their ability and fitness. These friars have served the Charity for the whole of their adult life.

Some of the members are heavily involved in the work of administering the Charity and without their service the charity would not be able to function effectively or according to the norms of the Charity Commission.

If this service was valued at the rate of £250 a day this would amount to over £580,000 of dedication and service to fulfil the aims and purposes of the charity.

Both the London and Salford Parish Communities can boast a large group of lay volunteers who give their time, expertise and energy on a regular basis. 2023 saw these numbers approach the pre-pandemic levels.

The London Parish identified 130 regular lay volunteers during 2023. These included cleaners, flower arrangers and maintenance people along with money counters and others helping with administration. Alongside these are those involved in the actual Church services which include Choir members, Altar servers, Readers and ministers of the Eucharist. Outside the services and worship times there are catechists who prepare parents, children and young people for the sacraments; plus a faithful few who visit the housebound to bring Holy Communion or help with household chores. Over the year there was a total of 17,755 hours donated to keep the charity fully efficient and operational.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Kersal Parish was able to identify 125 regular volunteers. These would have performed many of the same tasks as those connected with the London Parish. In addition, in Kersal there are four regular volunteers who help to keep the garden in good shape during the spring and summer months. There is also a volunteer cook to help with the shopping and preparing of meals. Again when aggregated together this made a total of 6,654 voluntary hours service in the course of the year.

Totalling the two parishes this comes to over 24,000 voluntary hours over the course of 2023. Without this generous donation of time and expertise the charity would not be able to function as well as it does.

Our Lady of Dolours London Parish and St Marys Priory

The monthly service for cancer sufferers and their families, took its usual place each month, and was appreciated by the disparate group that gathers from across the diocese and occasionally from further afield.

One of the friars baptised a baby in the London church in 1991 with the name of Carlo Acutis. Although born here in London his parents moved back to Milan before the end of the year and Carlo grew up there. In 2006 he was diagnosed with an aggressive form of leukaemia from which he died that autumn. He displayed extraordinary faith and charity throughout his short life and in 2021 he was proclaimed Blessed by the Catholic Church. As his extraordinary life is becoming better known there are an increasing number of ‘pilgrims’ coming to visit the church and in particular the baptistry to seek inspiration and blessings. During 2023 a new shrine was dedicated to Blessed Carlo. It is thought that his canonisation will come quite soon.

Some parishes in the diocese who are preparing a group of young people to receive the Sacrament of Confirmation, come to our church to learn about the life and inspiration of Blessed Carlo Acutis and how his Christian faith animated his teenage life.

Our Lady of Dolours, Salford and Servite Priory

The parish reaches out to the youth with regular meetings of the Scouts, Guides, Beavers, Rainbows and Brownies. On the feast of Christ the King they assemble in church on parade and prayers are offered for all young people. Again it is volunteers who keep these groups alive and active.

2023 saw the Kersal parish celebrate 100 years since the arrival of the first Servite Community. There were a variety of events to mark the occasion, but the climax came on 25 March when the Bishop of Salford the Rt Rev John Arnold celebrated the Mass of thanksgiving. Many former parishioners returned to join in the celebration and a fine glossy publication recorded the highs and lows that marked the last century. Along with other celebrations held in St Philip’s school this was the culmination of some serious planning by a dedicated group of volunteers.

The Kersal parish has a dedicated group of 11 volunteers who week by week reach out to the sick and housebound. Each of them spends at least an hour each week visiting one or two of the sickest people in the parish. This is prayerful support, but also keeps them in touch with the news and social events of the parish community.

The Management of Property

The big project for 2023 was the need for some decoration of the front porch of our Lady of Dolours, Fulham Road along with a renewing of the stonework on the parapet of the narthex. Early estimates were around the £80,000 to £100,000 mark but this didn’t take into consideration the cost of the scaffolding. It also transpired that once the scaffolding went up over the Tower a close inspection revealed the stonework was more damaged than was apparent when viewed from the ground. For example, the plinth under the statue of the Madonna was nearly ready to drop the statue onto the busy pavement below.

In the event all the work totalled £183,000 with a few minor works to be finished during 2024. Because of the unexpected extras it was necessary to dip into the Church Restoration Fund by £35,000, although after reclaiming all the VAT through the Listed Places of Worship scheme it may be possible to replace some of those funds.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Income in 2023 amounted to £1,114,974 (2022: £1,101,879). Expenditure in 2023 was £967,880 (2022: £1,205,349). Although there were different factors involved, over the two years the end of year totals between 2022 and 2023 are similar.

In addition in 2023 there were net gains on investments of £106,792 leading to net income for the year of £253,886 a turnaround from the previous year.

The previous year, 2022, saw a fall in market value for investments held, of £ (455,348), and with a devaluation of £ (850,000) for the investment property, due to weakness in the rental market for office space, combined with the result of the year being net expenditure of £(103,470), 2022 closed with net expenditure of £ (1,408,818).

Reserves Policy

This policy was reviewed and amended in January 2022.

The *Servite Student Trust Fund* is a restricted Fund invested through the generosity of two donors. The principal donor stipulated that the interest should be used exclusively for the education of Servite Students. During 2023 48% of the dividends was used to educate our own student while the 52% went to the education of international Servite students.

The *General Fund* is a contingency fund to underpin the central administration of the Charity and ensure continuity in the event of income variation. It is largely the result of some benefactors and fund raising in the early and middle part of the 20th century. It comprises 22% of the total portfolio (2023: 18%). Ideally it should be stronger to help fund lay assistants who will be needed to help maintain the level of service that has been offered over recent years.

In previous years funds that have been held in custodianship on behalf of the former community in Northern Ireland, this year have been absorbed into the Provincial General Fund because there is no longer a resident Servite Community at Benburb Priory.

The *Retirement and Welfare Fund* continues to play a pivotal role in the charity's finances as one friar is receiving long term care in the North of Ireland. This fund received a much-needed boost from the generosity of a deceased parishioner. Over 17 years the support for each of the elderly has more than trebled to an average of £660 per month for each friar. This payment is made to the community fund in which the friar resides.

The *Property Fund* was realised at the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair. In 2012 this fund stood at £442k and was run right back to £9k when buying back the 264 Fulham Road frontage. It is now being built up ready for the next realignment.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at 264 Fulham Road in London.

The *Church Restoration Fund* was set up as a separate charity in the 1980s to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Church, Fulham Road,, a grade II listed building. At the beginning of 2016 the charity was dissolved and the remaining funds becoming a Restricted fund within the main charity. By the end of 2022 it had reached £110k. Necessary repairs to some of the external stone-work urgently required during 2023, consumed capital growth, and some of the capital itself, so that the fund stood at £79k at the close of 2023.

The *Special Projects Fund* This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities and good causes and so safeguards ordinary income streams. .

Investment Strategy

The new investment policy was worked out towards the end of 2021 and received approval from the Trustees in January 2022.

The Provincial Finance Council will take the advice of qualified financial experts, the respective brokers in each of the three Investments, but also through membership of the Church Investors Group, and the Association of Provincial Bursars in the UK and Ireland.

Environmental, social and governance factors are core to our investment strategy and should be analysed and fully integrated within the investment process. This includes active engagement, participation in voting and helping to promote best practice in each of these areas.

The trust precludes investment in any companies that derives more than 10% of their revenue from tobacco, gambling, pornography, or armaments.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Finance Council are requested to look into the moral status and operating methods of the different companies to ascertain that they are broadly in line with our Servite and Christian ethos. We are totally committed to the protection of human life from conception to death, therefore, special care needs to be taken to protect human life, even in the womb. This should be borne in mind when investing in pharmaceuticals or medical research.

It is also requested that a company's international record is monitored, especially where it has dealings with countries where UN recognised human rights are severely restricted. A failure in this area would be tantamount to condoning and cooperating in the oppression of the ordinary citizens and the common good.

Because of the urgency of the present moment companies must be carefully checked as to their transparency in disclosing their carbon footprint, their plans to decrease it, and the sustainability and fair employment involved in their supply lines. It is envisaged that all portfolios will have no investment in carbon fuels by 2025.

Impact investing is part of our overall strategy. It allows us to align more closely to our charitable objects and promote a more sustainable economy in line with our Christian beliefs and ministry while still being an economically sound investment.

FUTURE PLANS

The investment Properties

Ohana Centre Ltd has assumed the day to day running of the specialised nursery. It is hoped that they will extend their lease to 2027.

The frontage on Fulham Road, (T block) has been let to Nammu Workplace Ltd. When they signed the lease in March 2023 they promptly set about a refiguration of the internal rooms.

John Yianni of May & Co, estate agents, continues to use the basement of 262 Fulham Road for storage.

The London Parish

The choir which animates the main 11 o'clock Mass each Sunday is planning a short tour to sing at two Marian shrines during 2024 one in France and the other in Spain.

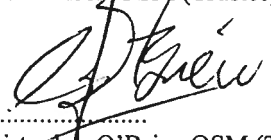
The Blessed Carlo Society aims at involving the youth of the parish, and 2024 should see the arrangement of a visit to an English shrine, that of Our Lady of Walsingham. If this is successful it is hoped that something more ambitious will be arranged for 2025.

Auditors

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP. A resolution proposing the re-appointment of HaysMac LLP as auditors to the charity was approved at the annual general meeting.

Approved by the Trustees on 29 Oct. 2024, and signed on their behalf by:


.....
Fr Paul Addison OSM (Trustee)


.....
Fr Christopher O'Brien OSM (Trustee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

Opinion

We have audited the financial statements of The Servite Friars, Province of the Isles for the year ended 31 December 2023 which comprise the Balance Sheet, Statement of Financial Activities, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 3 December 2024

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

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

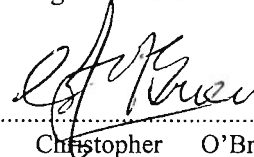
BALANCE SHEET, AS AT 31 DECEMBER 2023

		2023	2022
	Notes	£	£
FIXED ASSETS			
Tangible fixed assets	2	2,388,665	2,456,671
Investment Property	3	2,000,000	2,000,000
Investments	4	4,846,413	4,479,617
		<u>9,235,078</u>	<u>8,936,288</u>
CURRENT ASSETS			
Debtors	5	137,601	158,010
Cash at bank		252,560	325,435
		<u>390,161</u>	<u>483,445</u>
CREDITORS: Amounts falling due within one year	6	(78,216)	(65,478)
NET CURRENT ASSETS		<u>311,945</u>	<u>417,967</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,547,023	9,354,255
CREDITORS: Amounts falling due after more than one year	7	(59,382)	(120,500)
NET ASSETS		<u>9,487,641</u>	<u>9,233,755</u>
FUNDS			
Restricted:			
- Student Trust Fund		1,168,191	1,185,963
- Parish Fund		84,414	288,095
- Church Restoration Fund		78,909	110,487
		<u>1,331,514</u>	<u>1,584,545</u>
Unrestricted:			
Designated			
- Fixed Assets Fund		2,388,665	2,456,671
- Investment Property Fund		2,000,000	2,000,000
- Property Development Fund		259,369	248,392
- Retirement and Welfare Fund		1,709,411	1,618,983
- School Governors' Fund		104,815	100,670
- Special Projects Fund		228,734	213,829
- St Mary's Priory Fund		396,675	351,572
General Fund		1,068,458	659,093
		<u>8,156,127</u>	<u>7,649,210</u>
TOTAL FUNDS		<u>9,487,641</u>	<u>9,233,755</u>

Approved by the Trustees and authorised for issue on 29 October 2024 and signed on their behalf by.



Fr Paul Addison OSM (Trustee)
(Trustee)



Fr Christopher O'Brien OSM

The accompanying notes form part of these accounts

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Salaries and pensions		92,372	-	92,372	99,258
Donations and legacies		382,364	311,870	694,234	358,556
<i>Other Trading Activities:</i>					
Rent and service charges		91,942	59,812	151,754	409,618
<i>Charitable activities:</i>					
Local communities and parishes		-	-	-	105,113
<i>Investments</i>	10	113,015	63,599	176,614	129,334
Total		<u>679,693</u>	<u>435,281</u>	<u>1,114,974</u>	<u>1,101,879</u>
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Communities, parishes and their ministry		(445,428)	(522,452)	(967,880)	(1,205,349)
Total	12	<u>(445,428)</u>	<u>(522,452)</u>	<u>(967,880)</u>	<u>(1,205,349)</u>
Net income/(expenditure) before gains/(losses) on investments		234,265	(87,171)	147,094	(103,470)
Net gains/(losses) on investments	4	84,285	22,507	106,792	(455,348)
Loss on revaluation of investment property	3	-	-	-	(850,000)
Net income/(expenditure)		<u>318,550</u>	<u>(64,664)</u>	<u>253,886</u>	<u>(1,408,818)</u>
Transfers between funds		188,367	(188,367)	-	-
Net movement in funds		<u>506,917</u>	<u>(253,031)</u>	<u>253,886</u>	<u>(1,408,818)</u>
<i>Reconciliation of funds:</i>					
Fund Balances brought forward (as restated)		7,649,210	1,584,545	9,233,755	10,642,573
Fund Balances carried forward		<u><u>8,156,127</u></u>	<u><u>1,331,514</u></u>	<u><u>9,487,641</u></u>	<u><u>9,233,755</u></u>

All the charity's activities over the two financial years above are derived from continuing activities. There are no other recognised gains and losses other than those included above. The accompanying notes form part of these accounts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows for operating activities:			
Net cash used in operating activities	14	(141,239)	(600,907)
Cash flow from investing activities:			
Dividends, interest and rent from investments		328,368	538,952
Proceeds from sale of investments		3,726,712	4,322,780
Purchase of investments		(3,986,716)	(4,285,548)
Purchase of fixed assets		-	(10,099)
Net cash provided by investing activities		<u>68,364</u>	<u>566,085</u>
Change in cash and cash equivalents in the year		(72,875)	(34,822)
Cash and cash equivalents at the beginning of the year	15	325,435	360,257
Cash and cash equivalents at the end of the year		<u>252,560</u>	<u>325,435</u>

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) 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 estimating the economic useful life of tangible fixed assets.

(c) 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 one year from the date of approval of these accounts.

The Trustees of the charity 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 two accounting periods, the years ending 31 December 2024 and 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).

(d) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are carried at fair value. No depreciation is charged on investment properties.

(e) Tangible Fixed Assets

Land and buildings are shown at 10% of their insurance valuation plus additions since January 1999 at cost.

Depreciation is provided evenly over the estimated useful lives of each asset.

Buildings	- 2% per year
Fixtures & Fittings	- 10% per year
Motor vehicles	- 25% per year

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Restricted Funds

The restricted fund represents donations received with specific restrictions placed by the donors which have not yet been spent.

(k) Designated Funds

The designated funds represent amounts set aside by the Trustees to fulfil specific charitable objectives.

(l) Income

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Collections and donations are included in the accounts when received.

Members' salaries – there are no friars/members receiving salaries during 2021.

Rental income is stated gross of any fees deducted and is recorded on a receivable basis.

Investment income is credited to income when it is 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(m) Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

2. FIXED ASSETS

Land and buildings are mainly in use by the Province and are not generally available for sale.

	Land and Buildings £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
As at 1 January 2023	3,327,932	5,099	57,399	3,390,430
Additions	-	-	-	-
	<u>3,327,932</u>	<u>5,099</u>	<u>57,399</u>	<u>3,390,430</u>
As at 31 December 2023	3,327,932	5,099	57,399	3,390,430
DEPRECIATION				
As at 1 January 2023	878,835	1,275	53,649	933,759
Charge for the year	66,559	510	937	68,006
	<u>945,394</u>	<u>1,785</u>	<u>54,586</u>	<u>1,001,765</u>
As at 31 December 2023	945,394	1,785	54,586	1,001,765
NET BOOK VALUE				
As at 31 December 2023	<u>2,382,538</u>	<u>3,314</u>	<u>2,813</u>	<u>2,388,665</u>
As at 31 December 2022	<u>2,449,097</u>	<u>3,824</u>	<u>3,750</u>	<u>2,456,671</u>

3. INVESTMENT PROPERTY

The part of the charity's premises at 262a Fulham Road (known as the 'T-Block') is an investment property as it is let out for commercial use. It was revalued at 31 December 2022 by the Trustees at a fair value of £2,000,000 and it has been considered there has been no change in this valuation at 31 December 2023.

Valuation£

At 1 January 2023	2,000,000

Revaluation	-

At 31 December 2023	2,000,000
	=====

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

4. INVESTMENTS

	Unrestricted £	Restricted £	2023 £	2022 £
Market Value as at 1 January 2023	3,247,573	1,232,044	4,479,617	4,972,197
Additions	2,902,035	1,084,681	3,986,716	4,285,548
Disposals	(2,624,478)	(1,102,234)	(3,726,712)	(4,322,780)
Net investment gains	84,285	22,507	106,792	(455,348)
	<u>3,609,415</u>	<u>1,236,998</u>	<u>4,846,413</u>	<u>4,479,617</u>
Market Value as at 31 December 2023				
Cost as at 31 December 2023	<u>3,253,405</u>	<u>1,187,323</u>	<u>4,440,728</u>	<u>4,166,111</u>

Analysis of Investments	2023 £	2022 £
Unit Trusts	4,813,121	4,345,340
Cash held as part of an investment portfolio	33,292	134,277
	<u>4,846,413</u>	<u>4,479,617</u>

5. DEBTORS

	2023 £	2022 £
Other Debtors	7,451	-
Prepayments and accrued income	102,544	158,010
VAT recoverable	27,606	-
	<u>137,601</u>	<u>158,010</u>

6. CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Other creditors	1,619	4,140
Accruals	76,597	61,338
	<u>78,216</u>	<u>65,478</u>

7. CREDITORS: Amounts falling due after more than one year

	2023 £	2022 £
Rent deposit	<u>59,382</u>	<u>120,500</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

8. MOVEMENT IN FUNDS - 2023

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	1 January 2023 £	Income £	Expenditure £	Transfers and gains on Investments £	Balance at 31 December 2023 £
Restricted Funds					
- Students	1,185,963	25,954	(11,116)	(32,610)	1,168,191
- Parishes	288,095	369,682	(431,222)	(142,141)	84,414
- Church Restoration Fund	110,487	39,645	(80,114)	8,891	78,909
	<u>1,584,545</u>	<u>435,281</u>	<u>(522,452)</u>	<u>(165,860)</u>	<u>1,331,514</u>
Designated Funds					
- Fixed Assets	2,456,671	-	(68,006)	-	2,388,665
- Investment Property	2,000,000	-	-	-	2,000,000
-Property & Development	248,392	37,396	(37,449)	11,030	259,369
-Retirement & Welfare	1,618,983	39,069	(10,100)	61,459	1,709,411
-School Governors'	100,670	1,737	(883)	3,291	104,815
-Special Projects	213,829	5,501	(150)	9,554	228,734
-Priors	351,572	119,631	(109,373)	34,845	396,675
	<u>6,990,117</u>	<u>203,334</u>	<u>(225,961)</u>	<u>120,179</u>	<u>7,087,669</u>
General Fund	659,093	476,359	(219,467)	152,473	1,068,458
	<u>9,233,755</u>	<u>1,114,974</u>	<u>(967,880)</u>	<u>106,792</u>	<u>9,487,641</u>

Transfers to restricted funds were made to correct gains credited to the funds in error in previous years.

MOVEMENT IN FUNDS – 2022

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	1 January 2022 £	Income £	Expenditure £	Transfers and gains on Investments £	Balance at 31 December 2022 £
Restricted					
- Students Trust Fund	1,317,569	-	-	(131,606)	1,185,963
- Parish Fund	286,704	268,110	(266,719)	-	288,095
- Church Restoration Fund	125,154	-	-	(14,667)	110,487
	<u>1,729,427</u>	<u>268,110</u>	<u>(266,719)</u>	<u>(146,273)</u>	<u>1,584,545</u>
Designated					
- Fixed Assets Fund	2,520,612	-	(63,941)	-	2,456,671
- Investment Property Fund	2,850,000	-	-	(850,000)	2,000,000
- Property & Development Fund	258,687	-	-	(10,295)	248,392
- Retirement and Welfare Fund	1,788,345	-	-	(169,362)	1,618,983
- School Governors' Fund	117,131	-	-	(16,461)	100,670
- Special Projects Fund	225,104	-	-	(11,275)	213,829
- St Mary's Priory Fund	387,626	-	-	(36,054)	351,572
	<u>8,147,505</u>	<u>-</u>	<u>(63,941)</u>	<u>(1,093,447)</u>	<u>6,990,117</u>
General Fund	765,641	833,769	(874,689)	(65,628)	659,093
	<u>10,642,573</u>	<u>1,101,879</u>	<u>(1,205,349)</u>	<u>(1,305,348)</u>	<u>9,233,755</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

The *Servite Students Trust Fund* represents monies received for the training and education of Friars. This balance is held as part of the investment portfolio.

The *Parish Fund* represents monies raised by the Parish worshipping community and can only be used in the local parish to meet the needs of that community.

The *Church Restoration Fund* represents monies set aside to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Servite Church, London .

The *Fixed Assets Fund* is maintained at book value and represents the net investment in fixed assets.

The *Investment Property Fund* was realised on the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair.

The *Retirement and Welfare Fund* was begun in 1993 to fund Servite Friars in their retirement. Most friars receive no state pension or less than the basic pension despite having spent all their adult life in service of the public. In 1999 the fund began paying a modest payment to all communities that have senior members among their number.

The *Special Projects Fund*. This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2023

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,158,157	10,034	-	1,168,191
- Parish Fund	-	-	84,414	-	84,414
- Church Restoration Fund	-	78,842	67	-	78,909
Servite Friars Fund					
Designated:					
-Fixed Assets Fund	2,388,665	-	-	-	2,388,665
-Investment Property Fund	-	2,000,000	-	-	2,000,000
-Property & Development Fund	-	258,779	590	-	259,369
-Retirement and Welfare Fund	-	1,702,873	6,538	-	1,709,411
-School Governors' Fund	-	104,815	-	-	104,815
-Special Projects Fund	-	226,859	1,875	-	228,734
-St Mary's & Kersal Priory Fund	-	366,273	30,402	-	396,675
General	-	949,815	178,025	(59,382)	1,068,458
	2,388,665	6,846,413	311,945	(59,382)	9,487,641
	2,388,665	6,846,413	311,945	(59,382)	9,487,641

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue)

FOR THE YEAR ENDED 31 DECEMBER 2023

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2022

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,185,963	-	-	1,185,963
- Parish Fund	-	-	288,095	-	288,095
- Church Restoration Fund	-	110,487	-	-	110,487
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,456,671	-	-	-	2,456,671
- Investment Property Fund	-	2,000,000	-	-	2,000,000
- Property & Development Fund	-	248,392	-	-	248,392
- Retirement and Welfare Fund	-	1,618,983	-	-	1,618,983
- School Governors' Fund	-	100,670	-	-	100,670
- Special Projects Fund	-	213,829	-	-	213,829
- St Mary's Priory Fund	-	351,572	-	-	351,572
General	-	649,721	129,872	(120,500)	659,093
	<u>2,456,671</u>	<u>6,479,617</u>	<u>417,967</u>	<u>(120,500)</u>	<u>9,233,755</u>

10. INVESTMENT INCOME

	2023 £	2022 £
Income from UK quoted investments	175,410	129,139
Bank interest	1,204	195
	<u>176,614</u>	<u>129,334</u>

11. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

The trustees of the Charity are also members of the Province and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the five trustees are therefore borne by the Charity. During 2023, P M O'Brien, the brother of a trustee, Father Christopher O'Brien, was paid £4,379 (2022: £3,351) plus deductions of £813 to HMRC in tax as an employee. There were no amounts owing or owed at the year-end.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

12. ANALYSIS OF EXPENDITURE - 2023

	Staff Costs £	Donations £	Other £	2023 £	2022 £
<i>Charitable activities:</i>					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	8,173	600	7,350	16,123	31,053
- London	26,077	8,600	59,573	94,250	130,034
Parishes:					
- Kersal	8,160	6,211	91,522	105,893	56,509
- London	37,179	9,278	278,872	325,329	217,689
Province	60,375	94,536	271,374	426,285	770,064
	<u>139,964</u>	<u>119,225</u>	<u>708,691</u>	<u>967,880</u>	<u>1,205,349</u>

All costs are directly attributable to the activities under which they have been analysed.

Included in the above are the following:

Fees paid to the auditors:

Audit fees	14,000	12,650
Other fees	5,300	7,000
Depreciation	68,006	74,040
Donations	119,225	142,572

ANALYSIS OF EXPENDITURE - 2022

	Staff Costs £	Donations £	Other £	2022 £	2021
<i>Charitable activities:</i>					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	7,820	100	23,133	31,053	46,169
- London	27,567	2,250	100,217	130,034	171,756
Parishes:					
- Kersal	-	8,037	48,472	56,509	75,856
- London	35,226	12,610	169,853	217,689	134,756
Province	28,195	119,575	622,294	770,064	416,638
	<u>98,808</u>	<u>142,572</u>	<u>963,969</u>	<u>1,205,349</u>	<u>845,175</u>

Included in the above are the following:

Fees paid to the auditors:

- Auditors' remuneration	12,650	11,000
Other fees	7,000	6,500
Depreciation	74,040	72,497
Donations	142,572	149,414

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

13. STAFF COSTS

	2023	2022
	£	£
Gross salaries	133,458	92,906
Employer's NI	6,506	5,902
	<u>139,964</u>	<u>98,808</u>
	<u><u>139,964</u></u>	<u><u>98,808</u></u>

No trustees (who are the charities key management personnel) received remuneration for their services during the current or prior year. No trustees received any reimbursed expenses during the current or prior year.

During the year we had a part-time cleaner in the community of St Mary's Priory but she also did some cleaning for the Parish, which the London Parish account refunded to St Mary's accounts.

Following the previous incumbent's maternity leave, the post of Parish Secretary has been permanently filled. During 2023 there were 1 full time and 9 part time employees (2022 – 1 full time and 7 part time employees).

14. RECONCILIATION OF NET INCOME TO NET CASH FLOW FOR OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/ income for the year as per the Statement of Financial Activities	253,886	(1,408,818)
Adjustments for:		
Depreciation charges	68,006	74,040
Loss on revaluation of investment property	-	850,000
Loss/(gains) on investments	(106,792)	455,348
Dividends, interest and rents from investments	(328,368)	(538,952)
Decrease/(increase) in debtors	20,409	(130,225)
(Decrease)/increase/in creditors	(48,380)	97,700
	<u>(141,239)</u>	<u>(600,907)</u>
	<u><u>(141,239)</u></u>	<u><u>(600,907)</u></u>

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Bank accounts	<u>252,560</u>	<u>325,435</u>
	<u><u>252,560</u></u>	<u><u>325,435</u></u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

16. STATEMENT OF FINANCIAL ACTIVITIES 2022	Unrestricted Funds £	Restricted Funds £	2022 £
INCOME FROM:			
<i>Donations and legacies:</i>			
Salaries and pensions	99,258	-	99,258
Donations and legacies	203,754	154,802	358,556
JRS Furlough receipts	-	-	-
<i>Other Trading Activities:</i>			
Rent and service charges	355,868	53,750	409,618
<i>Charitable activities:</i>			
Local communities and parishes	45,555	59,558	105,113
<i>Investments</i>	129,334	-	129,334
<i>Other</i>	-	-	-
Total	833,769	268,110	1,101,879
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Communities, parishes and their ministry	938,630	266,719	1,205,349
Total	938,630	266,719	1,205,349
Net income/(expenditure) before(losses)/gains on investments	(104,861)	1,391	(103,470)
Net(losses)/gains on investments	(309,075)	(146,273)	(455,348)
Loss on revaluation of investment property	(850,000)	-	(850,000)
Net (expenditure)/ income and net movement in funds	(1,263,936)	(144,882)	(1,408,818)
<i>Reconciliation of funds:</i>			
Fund Balances brought forward	8,913,146	1,729,427	10,642,573
Fund Balances carried forward	7,649,210	1,584,545	9,233,755

**THE SERVITE FRIARS, PROVINCE OF THE ISLES
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 DECEMBER 2023**

	Ordinary Receipts £	Ordinary Payments (including Subsidiaries) £	2023 £	2022 £
Community				
Kersal	17,011	(15,123)	1,888	(34,498)
London	102,620	(94,250)	8,370	(15,011)
Parish				
Kersal	75,247	(110,702)	(35,455)	27,411
London	294,435	(347,573)	(53,138)	(26,020)
Surplus of Communities, Parishes and others	<u>489,313</u>	<u>(567,648)</u>	<u>(78,335)</u>	<u>(48,118)</u>
PROVINCIAL FUND				
Ordinary Receipts				
Dividends and interest			167,915	95,703
Donations & Legacies			361,057	63,325
Salaries & pensions			59,303	47,728
Rental income			37,103	349,618
Provincial contribution			-	22,500
Sundry			282	-
			<u>625,660</u>	<u>578,874</u>
ORDINARY PAYMENTS				
Studies and sabbaticals			(10,364)	(12,778)
Travel and car expenses			(3,064)	(11,047)
Office costs			(11,291)	(2,665)
Chapter			(3,216)	(7,007)
Wages			(32,666)	(48,832)
Professional fees			(101,927)	(40,833)
General			(33,610)	(50,611)
Rates			(208)	(49,802)
Donations			(94,536)	(109,048)
Bank charges and interest			(3,676)	(3,670)
Repairs and maintenance			(194,358)	(45,232)
Curia			-	(44,023)
Insurance			(46,790)	(81,545)
Depreciation			(68,006)	(74,040)
HMRCt			(17,706)	-
Healthcare			-	(14,086)
R&W Pension			(21,150)	(39,007)
Re-distribution of funds expenditure			242,337	
			<u>(400,231)</u>	<u>(634,226)</u>
(Deficit)/surplus of Provincial Fund			<u>225,429</u>	<u>(55,352)</u>
(Deficit)/surplus before investment (losses)/gains			<u>147,094</u>	<u>(103,470)</u>
(Decrease)/increase in market value of investments			106,792	(455,348)
(Decrease)/increase in valuation of investment property			-	(850,000)
Surplus for the year			253,886	(1,408,818)
Fund balances brought forward			9,233,755	10,642,573
Fund balances carried forward			<u>9,487,641</u>	<u>9,233,755</u>

This page does not form part of the audited accounts

TRUST PROPERTY HELD IN CONNECTION WITH BROTHER SERVANTS OF THE BLESSED VIRGIN SER

England & Wales - Charity number 249148

Accounts

**THE TRUSTEES OF THE SERVITE FRIARS,
PROVINCE OF THE ISLES
(A Registered Charity)**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Registered Charity Number: 249148

**THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trust property held in connection with the Brothers Servants of the Blessed Virgin, Servite Fathers

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Father Christopher O'Brien OSM
Father Patrick Ryall OSM
Father Colm McGlynn OSM
Father Vincent Coyne OSM
Father Liam Tracey OSM
Father Allan Satur OSM
Father Paul Addison

Prior Provincial (Chair)

Father Colm McGlynn OSM

Provincial Treasurer

Father Christopher O'Brien OSM

Principal Address

St Mary's Priory
264 Fulham Road
London SW10 9EL

Telephone

020 7352 6965

Website

www.servitefriars.org

Charity Registration Number

249148

Auditors

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

Bankers

The Royal Bank of Scotland
Relationship Management Team
6th Floor
1 Princes Street
London EC2R 8BP

Investment Managers

Epworth Investment Management Limited
9 Bonhill Street
London EC2A 4PE

Solicitors

Carter Lemon Camerons LLP
10 Aldersgate Street
London EC1A 4HJ

Property Adviser

Will Saxby MRICS Dip Proj Man

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

The first Trust deed of the Servite Order was registered with the Commissioners in 1878 under the number 249138. Then on 4 April 1935 another deed was drawn up under the title *The Brothers Servants of the Blessed Virgin*, with our present no 249148. Carrying forward this tradition of service the Trustees now present their report for the financial year ending the 31 December 2022.

INTRODUCTION

The Brothers Servants of the Blessed Virgin more often known as the Servite Friars live in two communities, one in London and the other in Salford. In both locations they are responsible for the pastoral care of a Church and the surrounding Catholic community. Another friar, living alone, has similar responsibilities for a parish church in Bath.

The Servite Friars have offered pastoral care and support in London since 1864 although the origins of the Order date from the thirteenth century.

During 2022 our long-standing ministry and pastoral care recovered somewhat after the lock-downs and restrictions of the previous years. Our tradition, derives from the Servite Constitutions and Province of the Isles Servite Directory together with our Trust Deed dating back to 1935.

The friars in both the London and Salford parishes are Trustees and responsible for a Voluntary Aided School. The Servite Primary School in London has 210 pupils while St Philips in Salford has 320 pupils and the Friars are Foundation Governors to both.

In accordance with a well-founded tradition support was given to our General Council in Rome and support of the Pontifical University, the Marianum. This international service is reviewed every six years and a new General Council elected.

During normal times the three parishes in London, Salford and Bath would have a weekly footfall in excess of 1,500. Each Mass/Service would have an attendance of between 100 and 400. On certain days during the year this figure would be even greater marking the highlights of the Christian calendar such as Christmas and Easter or other special celebrations such as First Communions, and Confirmations.

Also, during the year there would be a variety of other celebrations such as Baptisms, Marriages and Funerals. These would all draw a congregation from far and wide and in the case of marriages and funerals have to be arranged in conjunction with state registrars.

Mission

The Servite Order in the UK is aiming to use their resources for religious, educational and other charitable purposes in connection with the Roman Catholic Church (Trust Deed 1935).

- ❖ For the purposes of this report, the principal service, at present, would be the pastoral care of three parish churches and their congregations and the use of the parish centres and facilities for the people in the surrounding area. These are located in London, Salford, and Bath. (cf Trust Deed clause 5 section i)
- ❖ The friars in the London and Salford parishes have responsibility for the local Voluntary Aided schools both as Trustees and Governors.
- ❖ It would be seen as an integral part of our service to support the Order in its central administration and Servite Friars and the Church in the developing world. There is also a long tradition of helping other related charities both at home and abroad.
- ❖ The Care of the sick and elderly friars who have spent a life-time in service of the Church, the Order and Society at large. (cf Trust Deed clause 5 sections vi & vii) The English charity has also undertaken responsibility for one of the Irish friars who is being cared for in a care home in the North of Ireland.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

GOVERNANCE, STRUCTURE AND MANAGEMENT

Since its inception the Servite Order have operated according to a rule of Life, the Constitutions, and these have the approval of the Catholic Church and are in conformity with canon Law. It goes without saying these have been upgraded and amended periodically and the last time the Constitutions were amended was in September 2015. The local friars also have a Directory which adjusts the rules to local circumstances and in our case in line with UK charity law. The Directory was approved and updated in 2017.

The Province of the Isles has a leadership team consisting of the Prior Provincial and four Provincial Councillors. Each year there is a Provincial Chapter when all the friars (members of the Charity) meet to discuss policy and procedures. This can mandate the Provincial and his Council to implement proposals and directives. It can also take the form of in-service training. The Provincial Chapter approves of local by-laws known as the Directory. This document takes cognisance of Church Law and appropriate Civil law. Every fourth year a Provincial Chapter of Elections takes place, when elections and appointment to the various offices are effected. It is during this gathering that the AGM of the charity is held.

Between Provincial Chapters, the responsibility for the direction of the Province (the Charity) rests with the Provincial and his Council (cf Deed of Variation 21 Sep 1971). Where possible the Trustees are drawn from the Provincial Council. All trustees are members of the Order and they have a detailed knowledge of the work of the Charity and its structure; even so when appointed new trustees are reminded of the Charity Commission Guidance and are given a refresher course on the principal responsibilities of the charity its resources and aims and the relationship with our professional advisors; solicitors, auditors, stockbrokers and property adviser.

Risk Management

In line with the requirement of trustees the Charity has made an assessment of risk and identified the following areas:

Governance

Operational

Financial

Reputational

Laws, regulations, external and environment

Governance The Province of the Isles has eighteen friars and their presence in England and Ireland is reported through to the three relevant civil authorities and registrations. Each year all the friars gather for a Provincial Chapter and this is when the AGM of the English Charity is held. All members continue to receive copies of the minutes.

Operational The responsibility for buildings such as the Priors is the direct responsibility of the Prior Provincial and the Provincial Council and their delegates; the local Priors. The well-being of the Parish churches and Parish properties are with the appointed parish team, together with their lay committees under the direction of the Parish Priest who is appointed by the Provincial Council. The worst possible interruption would be severe damage to one of the Churches. The safety net would be to use the nearby school halls on a temporary basis.

Financial The overall management of financial policy lies with the Provincial Finance Council who regulate the local centres of operation, the reserves policy is under review with professional advisers and records are kept of these meetings and conveyed to the Trustees at each of their meetings.

During 2022 these meetings were mostly conducted via the zoom platform.

The main source of our week to week income are the Church and parochial donations. After the lock downs the numbers picked up well, especially since Easter 2022 but are below pre-pandemic totals.

A high priority is our *Pension and Welfare Cover*.

The care of the elderly is an enduring concern and the fund has had to cope with 2 of the friars being placed in care homes. The fund dedicated to the help of the elderly has increased in the line with inflation while the dividends have declined which makes it difficult for the benefiting friars to cope with today's inflationary pressures.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Laws, regulations, external and environment. This section looks at the effects of government policies, the consequences of non-compliance with laws and regulations. The Provincial Treasurer is a member of the Association of Provincial Bursars, which organises the annual conference, and is thus able to keep abreast of the developments in civil, charity and church law. The APB Conference for 2022 was able to resume as a face to face encounter.

Methods of holding personal information have been looked at afresh in the light of the GDPR legislation. Volunteers and contributors to the parishes are being asked to sign a new form of acceptance that their details are held on file for this purpose.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operations and business risks faced by the charity, they have established effective systems to mitigate those risks. The Risk assessment Policy was revised in March 2022.

Protection of Children and vulnerable Adults. Every trustee meeting would have a check on the procedures being followed in the friar's communities and among the parishioners and other lay helpers. During 2022 we were able to move from Taye Training to come under the guidance of the newly created RLSS, Religious Life Safeguarding Service, and towards the end of the year we had our first supervisory meeting by way of an electronic link.

THE PROVINCIAL AND COUNCIL (TRUSTEES)

Besides the regular Council meetings, the Prior Provincial together with the Provincial Secretary are responsible for communications both within the Province and with our Generalate in Rome as well as other Priors Provincial. On a day-to-day basis this is by way of emails and online newsletters.

English continues to be a much-used language through-out the Order and a variety of tasks involving translation work come to the Province. The Provincial Secretary continues to do sterling work in this department.

The Trustees

Fr Colm McGlynn Prior Provincial/Chair of Trustees

Fr Colm joined the Order in 1980. Colm has served in all parts of the Province, Dublin, the North of Ireland, Scotland and England and he has served as Parish Priest in Dublin and Dundee. He has also had experience working with the Order in the Philippines. Colm served for several terms on the Provincial Council. He was awarded a B A in Humanities from Dublin City University in 2005. He served as Assistant Provincial and is now in his second term as Provincial.

Fr Liam Tracey Assistant Provincial

Liam joined the Servites in 1980. He has an STB from Dublin and a Doctorate in Liturgy from the Anselmianum, Rome 1996. For 20 years he was the Liturgy Professor in Maynooth University. He also acted as Conventual Prior on several occasions. In September 2021 he was elected as Assistant Provincial and member of the Provincial Council.

Fr Paul Addison Provincial Secretary.

Fr Paul joined the Servite Order in August 1958. After studies he had two terms serving on the central administration in Rome. Fr Paul has been responsible for the education and formation of student friars. As part of this ministry he has given courses and lectures in Italy, the USA, France, India and Uganda. He had a first period as Prior Provincial (chair of the charity) in 1991-1997. During that time he also served on the Board of the Servite Houses (housing association) now known as Optivo. He continues to serve on the Council as Provincial Secretary.

Fr Christopher O'Brien, Provincial Treasurer

Fr Christopher joined the Servite Order in 1965. In his early years he was engaged in teaching in both ordinary and special schools. From 1982-1996 he was engaged in educating Servites in Dublin, Oxford, Lesotho and Normandy in France. He has been a member of the Provincial Finance Council since 1980 but only assumed the Office of Provincial Treasurer in the year 2000. Since 2007 he has been a member of the General Council of Administration which sets the budget for the General Council. Besides financing the Generalate the Council oversees the administration of the Servite University in Rome; the Marianum.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Fr Allan Satur

Allan entered the Servite in 1994. He studied in Cebu and Rome and began his pastoral ministry in the Philippines. He joined the London community in 2012 and was awarded a Masters in Pastoral Theology in 2018. Since October 2021 he was appointed Parish Priest in London after having been elected to the Provincial Council and Trustees in September of that year.

Fr Patrick Ryall

Fr Patrick joined the Order in 1963. He spent 12 years in the London Parish 9 of them as Parish Priest. He has also served as a student master; 9 years in Oxford and 3 in Rome. In 1997 he again served as Parish Priest in London before serving as the first Prior Provincial of the newly formed Province of the Isles from 2000-2009. He also served on the board of Servite Houses now known as Optivo. From 2010-2021 he was once more elected Prior and Parish Priest of the London Community.

Fr Vincent Coyne

Fr Vincent joined the Servite Order in September 1959. After upgrading his degree with a Certificate of Education, he taught at St Peter's High School, Manchester from 1973-1979. From 1985 -1991 he served as Prior Provincial and chair of the Trust. Since 1997 he has again been involved in Parish ministry and is at present Prior and Parish priest in the Salford Parish.

Public benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. These requirements are addressed in this report.

Statement of Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees of the charity 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 net income or expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with 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.

Activities, Specific Objectivities and Relevant Policies

In accordance with a long-standing tradition the Province has continued to contribute and support the international **Servite Generalate based in Rome**. During 2022 over £60,000 was sent through to Rome of which £34,000 was earmarked to support the **Marianum**, the Servite University in Rome. These sums are agreed and budgeted for at the General Council of Administration during the spring of each year, and then a full detailed report is given at the Council of Administration the following spring. The Treasurer of the Province is member of this General Council of Administration. The Council of Administration meeting for 2022 was held online.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Benburb Library, Museum and Provincial Archive

This facility while existing within the Northern Ireland Trust (Order of Mary Servite Trust) caters for all three charitable trusts and so Provincial funds continue to offer support. In particular, during 2022 the London based trust provided £110,000 made up of the Service Level Agreement for the Library and Archive (£75,000) and Priory Insurance (£35,023) These expenses were off-set by receiving £32,000 from the related charity based in the Republic of Ireland whose friars are also stakeholders in the Benburb Library.

Servite Missions and Various charities supported by our Trust

Our Servite Communities in England along with the support of the Parishes have continued to support other Servite friars working in more challenging parts of the world. 2022 saw our continued support for the student programme in the **Philippines** £20,045. In recent years they have recruited and trained some students from Vietnam with a view to opening a new community in that country in the near future. We also continued with our support for the friars in **Mozambique** who are offering support and a safe environment to the youth of Matola in an after-school hours Project. In 2022 we donated £7,500. The frightening news in 2022 was the outbreak of conflict in **Ukraine** and our charity contributed to various charities that were involved in providing relief and help to the displaced and injured of that country. Altogether we contributed £7,000 through a variety of agencies. Red Cross, Disasters Emergency Committee, CAFOD, Jesuit Refugees Service and UNHCR. Alongside these calls for help we helped with the DEC call for relief in Afghanistan (£2,000) in the early part of 2022, Aid to the Church in Need £1,515 The Medaille Trust £1,000 and the Colmcille Trust £515.

Because of our new economic relationship with the EU it was necessary to withdraw our investment in Oikocredit but this enabled us to boost our holding in Shared Interest with a further £5,000.

We also made a series of smaller donations on the home front amounting to £2,250.

Volunteers (Friars)

Throughout the year the friars give their time and energy pursuing the goals of the Charity. They either receive no specific financial reward or else pay their earnings or stipends into the common fund.

Most of the friars are past retiring age but continue to help out and serve according to their ability and fitness. These friars have served the Charity for the whole of their adult life.

Some of the members are heavily involved in the work of administering the Charity and without their service the charity would not be able to function effectively or according to the norms of the Charity Commission.

If this service was valued at the rate of £250 a day this would amount to over £437,000 of dedication and service to fulfil the aims and purposes of the charity.

Both the London and Salford Parish Communities can boast a large group of lay volunteers who give their time, expertise and energy on a regular basis. The Covid restrictions and the lock-downs disrupted the regular pattern of this volunteering and the number that were available in each parish. Last year 2022 saw the new normal beginning to emerge.

The London Parish identified 105 regular volunteers during 2022. These included cleaners, flower arrangers and maintenance people along with money counters and others helping with administration. Alongside these are those involved in services themselves which include Choir members, Altar servers, Readers and ministers of the Eucharist. Outside the services and worship times there are catechists who prepare parents, children and young people for the sacraments; plus a faithful few who visit the housebound to bring Holy Communion or help with household chores. Over the year there was a total of 7,350 hours donated to keep the charity in touch and operational.

The Kersal Parish was able to identify 123 regular volunteers. These would have performed many of the same tasks as those connected with the London Parish. In addition, in Kersal there are four regular volunteers who help to keep the garden in good shape during the spring and summer months. There is also a volunteer cook to help with the shopping and preparing of meals. Again when aggregated together this made a total of 8,685 voluntary hours service in the course of the year. Totalling the two parishes this comes to over 16,000 voluntary hours over the course of 2022. Without this generous donation of time and skills the charity would not be able to function as well as it does.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our Lady of Dolours London Parish and St Marys Priory

After the privations of the lock-down in 2020 the church was again open for prayer and worship on every day of 2022. Having said that a minimum of restrictions were still in place throughout the year and it was noticeable that several of the parishioners felt more comfortable to continue with face masks when gathered in the church.

It was heartening to see some of the older parishioners, the over seventies and over eighties to be among the first to begin regular attendance once the restrictions were relaxed.

The monthly service for cancer sufferers and their families, which was suspended during the lock-down, returned to its usual place each month, and was appreciated by the disparate group that gathers from across the diocese and occasionally from further afield.

One of the friars baptised as a baby in the London church in 1991 with the name of Carlo Acutis. Although born here in London his parents moved back to Milan before the end of the year and Carlo grew up there. In 2006 he was diagnosed with an aggressive form of leukaemia from which he died that autumn. It would appear that he displayed extraordinary faith and charity throughout his short life and in 2021 he was proclaimed Blessed by the Catholic Church. As his extraordinary life is becoming better known there are an increasing number of 'pilgrims' coming to visit the church and in particular the baptistry to seek inspiration and blessings. It is planned that he have his own dedicated shrine within the church to respond to this growing interest.

Some parishes in the diocese who are preparing a group of young people to receive the Sacrament of Confirmation, come to our church to learn about the life and inspiration of Blessed Carlo Acutis and how his Christian faith animated his teenage life.

Although all restrictions have now been lifted the new and revised timetable for Masses and services that has been adopted is somewhat easier to offer and maintain.

Our Lady of Dolours, Salford and Servite Priory

The parish reaches out to the youth with regular meetings of the Scouts, guides, Beavers, Rainbows and Brownies. On the feast of Christ the King they assemble in church on parade and prayers are offered for all young people. Again it is volunteers who keep these groups alive and active.

During the year there were 44 Baptisms and 9 catechists prepared another 44 children for First Communion and yet another 36 older children prepared for and celebrated their confirmation. During the year 23 Funerals were celebrated.

The parish became increasingly aware that 2023 will be the centenary of the opening of the parish and towards the end of the year a group met regularly to plan the events and celebrations for the following year. In fact the first event of the centenary year was a concert in the church in November 2022.

The Kersal parish has a dedicated group of 11 volunteers who week by week reach out to the sick and housebound. Each of them spends at least an hour each week visiting one or two of the sickest people in the parish. This is prayerful support, but also keeps them in touch with the news and social events of the parish community.

The Management of Property

Towards the end of 2021 we had word that the NHS NWL group were looking for an early closure of the lease, by the end of the financial year rather than in September. Accordingly a final statement was prepared that included a dilapidations settlement and by August some decorating had been done and the property was on the market. By the end of the year it was still on the market but there were some serious interest.

Towards the end of the year it also became clear that Petra's place was going to lose its principal supporter. In the end the team which runs the centre were able to put together sufficient funds to see out the rest of the academic year. The Petra Foundation also provided a package for defaulting on their lease. Several of the parents who heard that the centre might close wrote some heart felt letters pleading that the facility be kept open as its service was almost unique in the London area and commending most highly the quality of its provision and care. The new name is the Ohana centre.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW

Income in the year amounted to £1,101,879 (2021: £1,009,759). Expenditure came to £1,164,121 (2021: £845,165). Although there were different factors involved, over the two years the end of year totals between 2021 and 2022 are similar. In addition there were net losses on investments of £455,348 and net loss of revaluation of investment property of £850,000 leading to net expenditure for the year of £1,408,818 (2021 - net income of £593,019).

Reserves Policy

This policy was reviewed and amended in January 2022.

The *Servite Student Trust Fund* is a restricted Fund invested through the generosity of two donors. The principal donor stipulated that the interest should be used exclusively for the education of Servite Students. During 2022 41% of the dividends was used to educate our own student while the 59% went to the education of international Servite students.

The *General Fund* is a contingency fund to underpin the central administration of the Charity and ensure continuity in the event of income variation. It is largely the result of some benefactors and fund raising in the early and middle part of the 20th century. It comprises 16% of the total portfolio. Ideally it should be stronger to help fund lay assistants who will be needed to help maintain the level of service that has been offered over recent years.

The *Retirement and Welfare Fund* continues to play a pivotal role in the charity's finances as one friar is now permanently in a care home in the North of Ireland. This fund received a much-needed boost from the generosity of a deceased parishioner. Over 17 years the support for each of the elderly has trebled to an average of £640 per month for each friar. This payment is made to the community fund in which the friar resides.

The *Property Fund* was realised at the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair. In 2012 this fund stood at £442k and was run right back to £9k when buying back the 264 frontage. It is now being built up ready for the next realignment. At end of 2022 it had reached £248k.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

The *Church Restoration Fund* was set up as a separate charity in the 1980s to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Church, a grade II listed building. At beginning of 2016 the charity was dissolved and the remaining funds becoming a Restricted fund within the main charity. By the end of 2022 it had reached £110k. It may be necessary to draw on the capital with the forth-coming repairs to some of the external stone-work that become more urgent the more it is studied.

The *Special Projects Fund* This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities and good causes and so safeguards ordinary income streams. A large part of the income for 2022 was used to help with the disruption of the Ukrainian people as they took refuge across Europe.

Investment Strategy

A new investment policy was worked out towards the end of 2021 and received approval from the Trustees in January 2022.

The Provincial Finance Council will take the advice of qualified financial experts, the respective brokers in each of the three Investments, but also through membership of the Church Investors Group, and the Association of Provincial Bursars in the UK and Ireland.

Environmental, social and governance factors are core to our investment strategy and should be analysed and fully integrated within the investment process. This includes active engagement, participation in voting and helping to promote best practice in each of these areas.

The trust precludes investment in any companies that derives more than 10% of their revenue from tobacco, gambling, pornography, or armaments.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Finance Council are requested to look into the moral status and operating methods of the different companies to ascertain that they are broadly in line with our Servite and Christian ethos. We are totally committed to the protection of human life from conception to death, therefore, special care needs to be taken to protect human life, even in the womb. This should be borne in mind when investing in pharmaceuticals or medical research.

It is also requested that a company's international record is monitored, especially where it has dealings with countries where UN recognised human rights are severely restricted. A failure in this area would be tantamount to condoning and cooperating in the oppression of the ordinary citizens and the common good.

Because of the urgency of the present moment companies must be carefully checked as to their transparency in disclosing their carbon footprint, their plans to decrease it, and the sustainability and fair employment involved in their supply lines. It is envisaged that all portfolios will have no investment in carbon fuels by 2025.

Impact investing is part of our overall strategy. It allows us to align more closely to our charitable objects and promote a more sustainable economy in line with our Christian beliefs and ministry while still being an economically sound investment.

FUTURE PLANS

The investment Properties

Petra's Place, the specialised nursery, will have a change of name as those involved with the day to day running hope carry the service through to the end of the academic year, and beyond as long as things go well.

Along side this the frontage (Tblock) is actively being advertised for a new tenant and leaseholder. There is at least one serious enquiry.

The London Parish

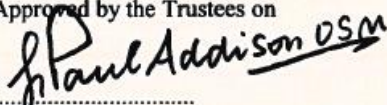
Besides looking to give a facelift to the whole of the front of the Church there is serious consideration being given to a permanent shrine to Blessed Carlo Acutis the exceptional young man whose life is attracting international attention. It is expected that he will be proclaimed a saint within the Catholic Church in the not too distant future.

2023 will mark the centenary of the Servite Friars being the custodians of the Kersal Parish on behalf of the Salford Diocese. Already plans are being drawn-up to celebrate this landmark event.

Auditors

A resolution proposing the re-appointment of haysmacintyre as auditors to the charity will be put to the annual general meeting.

Approved by the Trustees on



.....
Fr Paul Addison OSM (Trustee)

23 Nov.2023 and signed on their behalf by:



.....
Fr Christopher O'Brien OSM (Trustee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

Opinion

We have audited the financial statements of The Servite Friars, Province of the Isles for the year ended 31 December 2022 which comprise the Balance Sheet, Statement of Financial Activities, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 29/11/2023

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

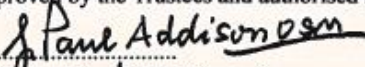
THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,


BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	2	2,456,671	2,520,612
Investment Property	3	2,000,000	2,850,000
Investments	4	4,479,617	4,972,197
		<u>8,936,288</u>	<u>10,342,809</u>
CURRENT ASSETS			
Debtors	5	158,010	27,785
Cash at bank		325,435	360,257
		<u>483,445</u>	<u>388,042</u>
CREDITORS: Amounts falling due within one year	6	(65,478)	(32,778)
NET CURRENT ASSETS		<u>417,967</u>	<u>355,264</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,354,255	10,698,073
CREDITORS: Amounts falling due after more than one year	7	(120,500)	(55,500)
NET ASSETS		<u>9,233,755</u>	<u>10,642,573</u>
FUNDS			
Restricted:			
- Student Trust Fund		1,185,963	1,317,569
- Parish Fund		288,095	286,704
- Church Restoration Fund		110,487	125,154
		<u>1,584,545</u>	<u>1,729,427</u>
Unrestricted:			
Designated			
- Fixed Assets Fund		2,456,671	2,520,612
- Investment Property Fund		2,000,000	2,850,000
- Property Development Fund		248,392	258,687
- Retirement and Welfare Fund		1,618,983	1,788,345
- School Governors' Fund		100,670	117,131
- Special Projects Fund		213,829	225,104
- St Mary's Priory Fund		351,572	387,626
General Fund		659,093	765,641
	8	<u>9,233,755</u>	<u>10,642,573</u>

Approved by the Trustees and authorised for issue on


Fr Paul Addison OSM (Trustee)


Fr Christopher Brien OSM (Trustee)

23 NOV 2023 and signed on their behalf by.

The accompanying notes form part of these accounts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Salaries and pensions		99,258	-	99,258	19,695
Donations and legacies		203,754	154,802	358,556	235,988
JRS Furlough receipts		-	-	-	1,096
<i>Other Trading Activities:</i>					
Rent and service charges		355,868	53,750	409,618	323,080
<i>Charitable activities:</i>					
Local communities and parishes		45,555	59,558	105,113	305,359
<i>Investments</i>	10	129,334	-	129,334	100,581
<i>Other</i>		-	-	-	23,960
Total		<u>833,769</u>	<u>268,110</u>	<u>1,101,879</u>	<u>1,009,759</u>
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Communities, parishes and their ministry		938,630	266,219	1,205,349	845,165
Total	12	<u>938,630</u>	<u>225,491</u>	<u>1,205,349</u>	<u>845,165</u>
Net income/(expenditure) before (losses)/gains on investments		(104,861)	1,391	(103,470)	164,594
Net (losses)/gains on investments	4	(309,075)	(146,273)	(455,348)	428,425
Loss on revaluation of investment property	3	(850,000)	-	(850,000)	-
Net (expenditure)/ income and net movement in funds		<u>(1,263,936)</u>	<u>(144,882)</u>	<u>(1,408,818)</u>	<u>593,019</u>
<i>Reconciliation of funds:</i>					
Fund Balances brought forward		<u>8,913,146</u>	<u>1,729,427</u>	<u>10,642,573</u>	<u>10,049,554</u>
Fund Balances carried forward		<u><u>7,649,210</u></u>	<u><u>1,584,545</u></u>	<u><u>9,233,755</u></u>	<u><u>10,642,573</u></u>

All the charity's activities over the two financial years above are derived from continuing activities.

There are no other recognised gains and losses other than those included above.

The accompanying notes form part of these accounts.

**THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows for operating activities:			
Net cash used in operating activities	15	(600,907)	(187,495)
Cash flow from investing activities:			
Dividends, interest and rent from investments		538,952	423,661
Proceeds from sale of investments		4,322,780	168,200
Purchase of investments		(4,285,548)	(446,581)
Purchase of fixed assets		(10,099)	(39,751)
Net cash provided by investing activities		<u>566,085</u>	<u>105,529</u>
Change in cash and cash equivalents in the year		(34,822)	(81,966)
Cash and cash equivalents at the beginning of the year	16	360,257	442,223
Cash and cash equivalents at the end of the year	16	<u>325,435</u>	<u>360,257</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) 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 estimating the economic useful life of tangible fixed assets.

(c) 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 one year from the date of approval of these accounts.

The Trustees of the charity 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 two accounting periods, the years ending 31 December 2023 and 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).

(d) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are carried at fair value. No depreciation is charged on investment properties.

(e) Tangible Fixed Assets

Land and buildings are shown at 10% of their insurance valuation plus additions since January 1999 at cost. Depreciation is provided evenly over the estimated useful lives of each asset.

Buildings - 2% per year
Motor vehicles - 25% per year

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

(i) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) **Restricted Funds**

The restricted fund represents donations received with specific restrictions placed by the donors which have not yet been spent.

(k) **Designated Funds**

The designated funds represent amounts set aside by the Trustees to fulfil specific charitable objectives.

(l) **Income**

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Collections and donations are included in the accounts when received.

Members' salaries – there are no friars/members receiving salaries during 2021.

Rental income is stated gross of any fees deducted and is recorded on a receivable basis.

Investment income is credited to income when it is 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(m) **Expenditure**

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES**NOTES TO ACCOUNTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2022****2. FIXED ASSETS**

Land and buildings are mainly in use by the Province and are not generally available for sale.

	Land and Buildings £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
As at 1 January 2022	3,327,932	-	52,399	3,380,331
Additions	-	5,099	5,000	10,099
As at 31 December 2022	<u>3,327,932</u>	<u>5,099</u>	<u>57,399</u>	<u>3,390,430</u>
DEPRECIATION				
As at 1 January 2022	812,277	-	47,442	859,719
Charge for the year	66,558	1,275	6,207	74,040
As at 31 December 2022	<u>878,835</u>	<u>1,275</u>	<u>53,649</u>	<u>933,759</u>
NET BOOK VALUE				
As at 31 December 2022	<u>2,449,097</u>	<u>3,824</u>	<u>3,750</u>	<u>2,456,671</u>
As at 31 December 2021	<u>2,515,655</u>	<u>-</u>	<u>4,957</u>	<u>2,520,612</u>

3. INVESTMENT PROPERTY

	2022 £
Valuation	
As at 1 January 2022	2,850,000
Revaluation	(850,000)
As at 31 December 2022	<u>2,000,000</u>

The part of the charity's premises at 262a Fulham Road (known as the 'T-Block') is an investment property as it is let out for commercial use. It was revalued at 31 December 2022 by the Trustees at a fair value of £2,000,000.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

4. INVESTMENTS

	Unrestricted £	Restricted £	2022 £	2021 £
Market Value as at 1 January 2022	3,529,475	1,442,722	4,972,197	4,265,391
Additions	3,148,556	1,136,992	4,285,548	446,581
Disposals	(3,121,383)	(1,201,397)	(4,322,780)	(168,200)
Net investment gains	(309,075)	(146,273)	(455,348)	428,425
	<u>3,247,573</u>	<u>1,232,044</u>	<u>4,479,617</u>	<u>4,972,197</u>
Market Value as at 31 December 2022	<u>3,247,573</u>	<u>1,232,044</u>	<u>4,479,617</u>	<u>4,972,197</u>
Cost as at 31 December 2022	<u>3,014,975</u>	<u>1,151,136</u>	<u>4,166,111</u>	<u>4,296,758</u>

Analysis of Investments

	2022 £	2021 £
Unit Trusts	4,345,340	4,879,311
Cash held as part of an investment portfolio	134,277	92,886
	<u>4,479,617</u>	<u>4,972,197</u>

5. DEBTORS

	2022 £	2021 £
Prepayments and accrued income	158,010	27,785
	<u>158,010</u>	<u>27,785</u>

6. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Other creditors	4,140	5,901
Accruals	61,338	15,900
VAT due	-	10,977
	<u>65,478</u>	<u>32,778</u>

7. CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Rent deposit	<u>120,500</u>	<u>55,500</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

8. FUNDS - 2022

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2022 £
Restricted					
- Students Trust Fund	1,317,569	-	-	(131,606)	1,185,963
- Parish Fund	286,704	268,110	(266,719)	-	288,095
- Church Restoration Fund	125,154	-	-	(14,667)	110,487
	<u>1,729,427</u>	<u>268,110</u>	<u>(266,719)</u>	<u>(146,273)</u>	<u>1,584,545</u>
Designated					
- Fixed Assets Fund	2,520,612	-	(63,941)	-	2,456,671
- Investment Property Fund	2,850,000	-	-	(850,000)	2,000,000
- Property & Development Fund	258,687	-	-	(10,295)	248,392
- Retirement and Welfare Fund	1,788,345	-	-	(169,362)	1,618,983
- School Governors' Fund	117,131	-	-	(16,461)	100,670
- Special Projects Fund	225,104	-	-	(11,275)	213,829
- St Mary's Priory Fund	387,626	-	-	(36,054)	351,572
	<u>8,147,505</u>	<u>-</u>	<u>(63,941)</u>	<u>(1,093,447)</u>	<u>6,990,117</u>
General Fund	765,641	833,769	(874,689)	(65,628)	659,093
	<u>10,642,573</u>	<u>1,101,879</u>	<u>(1,205,349)</u>	<u>(1,305,348)</u>	<u>9,233,755</u>

FUNDS – 2021

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2021 £
Restricted					
- Students Trust Fund	1,216,059	-	-	101,510	1,317,569
- Parish Fund	227,022	259,053	(199,371)	-	286,704
- Church Restoration Fund	109,089	-	-	16,065	125,154
	<u>1,552,170</u>	<u>259,053</u>	<u>(199,371)</u>	<u>117,575</u>	<u>1,729,427</u>
Designated					
- Fixed Assets Fund	2,553,358	-	(32,746)	-	2,520,612
- Investment Property Fund	2,850,000	-	-	-	2,850,000
- Property & Development Fund	214,707	-	-	43,980	258,687
- Retirement and Welfare Fund	1,517,809	-	-	270,536	1,788,345
- School Governors' Fund	104,349	-	-	12,782	117,131
- Special Projects Fund	180,645	-	-	44,459	225,104
- St Mary's Priory Fund	342,494	-	-	45,132	387,626
	<u>7,763,362</u>	<u>-</u>	<u>(32,746)</u>	<u>416,889</u>	<u>8,147,505</u>
General Fund	734,022	750,706	(613,048)	(106,039)	765,641
	<u>10,049,554</u>	<u>1,009,759</u>	<u>(845,165)</u>	<u>428,425</u>	<u>10,642,573</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue)

FOR THE YEAR ENDED 31 DECEMBER 2022

The *Servite Students Trust Fund* represents monies received for the training and education of Friars. This balance is held as part of the investment portfolio.

The *Parish Fund* represents monies raised by the Parish worshipping community and can only be used in the local parish to meet the needs of that community.

The *Church Restoration Fund* represents monies set aside to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Servite Church, London .

The *Fixed Assets Fund* is maintained at book value and represents the net investment in fixed assets.

The *Investment Property Fund* was realised on the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair.

The *Retirement and Welfare Fund* was begun in 1993 to fund Servite Friars in their retirement. Most friars receive no state pension or less than the basic pension despite having spent all their adult life in service of the public. In 1999 the fund began paying a modest payment to all communities that have senior members among their number.

The *Special Projects Fund*. This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,185,963	-	-	1,185,963
- Parish Fund	-	-	288,095	-	288,095
- Church Restoration Fund	-	110,487	-	-	110,487
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,456,671	-	-	-	2,456,671
- Investment Property Fund	-	2,000,000	-	-	2,000,000
- Property & Development Fund	-	248,392	-	-	248,392
- Retirement and Welfare Fund	-	1,618,983	-	-	1,618,983
- School Governors' Fund	-	100,670	-	-	100,670
- Special Projects Fund	-	213,829	-	-	213,829
- St Mary's Priory Fund	-	351,572	-	-	351,572
General	-	649,721	129,872	(120,500)	659,093
	2,456,671	6,479,617	417,967	(120,500)	9,274,983
	2,456,671	6,479,617	417,967	(120,500)	9,274,983

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue

FOR THE YEAR ENDED 31 DECEMBER 2022

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2021

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,317,569	-	-	1,317,569
- Parish Fund	-	-	286,704	-	286,704
- Church Restoration Fund	-	125,154	-	-	125,154
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,520,612	-	-	-	2,520,612
- Investment Property Fund	-	2,850,000	-	-	2,850,000
- Property & Development Fund	-	258,687	-	-	258,687
- Retirement and Welfare Fund	-	1,788,345	-	-	1,788,345
- School Governors' Fund	-	117,131	-	-	117,131
- Special Projects Fund	-	225,104	-	-	225,104
- St Mary's Priory Fund	-	387,626	-	-	387,626
General	-	752,581	68,560	(55,500)	765,641
	<u>2,520,612</u>	<u>7,822,197</u>	<u>355,264</u>	<u>(55,500)</u>	<u>10,642,573</u>

10. INVESTMENT INCOME

	2022 £	2021 £
Income from UK quoted investments	129,139	100,491
Bank interest	195	90
	<u>129,334</u>	<u>100,581</u>

11. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

The trustees of the Charity are also members of the Province and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the five trustees are therefore borne by the Charity. During 2022, P M O'Brien, the brother of a trustee, Father Christopher O'Brien, was paid £3,351 (2021: £3,254) plus deductions of £813 to HMRC in tax as an employee. There were no amounts owing or owed at the year-end.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

12. ANALYSIS OF EXPENDITURE - 2022

	Staff Costs	Donations	Other	2022	2021
	£	£	£	£	£
<i>Charitable activities:</i>					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	7,820	100	23,133	31,053	46,169
- London	27,567	2,250	100,217	130,034	171,756
Parishes:					
- Kersal	-	8,037	48,472	56,509	75,856
- Our Lady of Dolours	35,226	12,610	169,853	217,689	134,756
Province	28,195	119,575	622,294	770,064	416,638
	<u>98,808</u>	<u>142,572</u>	<u>963,969</u>	<u>1,205,349</u>	<u>845,175</u>

All costs are directly attributable to the activities under which they have been analysed.

Included in the above are the following:

Fees paid to the auditors:

- Auditors' remuneration	12,650	11,000
- Other fees	7,000	6,500
Depreciation	74,040	72,497
Donations	<u>142,572</u>	<u>149,414</u>

ANALYSIS OF EXPENDITURE - 2021

	Staff Costs	Donations	Other	2020
	£	£	£	£
<i>Charitable activities:</i>				
Communities, Parishes and their ministry:				
Communities:				
- Kersal	7,596	-	38,573	46,169
- London	27,009	1,200	143,547	171,756
Parishes:				
- Kersal	5,469	5,332	65,055	75,856
- Our Lady of Dolours	33,318	2,585	98,843	134,746
Province	27,520	178,464	210,654	416,638
	<u>100,912</u>	<u>187,581</u>	<u>556,672</u>	<u>845,165</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES**NOTES TO ACCOUNTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2022****13. STAFF COSTS**

	2022	2021
	£	£
Gross salaries	92,906	95,735
Employer's NI	5,902	5,177
	<u>98,808</u>	<u>100,912</u>

No trustees (who are the charities key management personnel) received remuneration for their services during the current or prior year. No trustees received any reimbursed expenses during the current or prior year.

During the year we had a part-time cleaner in the community of St Mary's Priory but she also did some cleaning of offices and toilets for the Parish, which the London Parish account refunded to St Mary's accounts.

During September the Secretary to the Parish began maternity leave, and has been in receipt of maternity paid leave since. There is a replacement in the Office who has taken on her role. At the beginning of 2022 there was 1 full time and 7 part time employees (2021 – 1 full time and 8 part time employees).

14. CUSTODIANSHIP

At the beginning of 2022 the BlackRock Investment was valued at £217,767 and by 31 December it was £190,620. We continue to administer this fund on behalf of our related charity in the North of Ireland Order of Mary Servite Trust, registration number NI 671223.

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FOR OPERATING ACTIVITIES

	2022	2021
	£	£
Net (expenditure)/ income for the year as per the Statement of Financial Activities	(1,408,818)	593,019
Adjustments for:		
Depreciation charges	74,040	72,497
Loss on revaluation of investment property	850,000	-
Loss/(gains) on investments	455,348	(428,425)
Dividends, interest and rents from investments	(538,952)	(423,661)
Increase in debtors	(130,225)	(4,028)
Increase in creditors	97,700	3,103
	<u>(600,907)</u>	<u>(187,495)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Bank accounts	<u>366,663</u>	<u>360,257</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

17. STATEMENT OF FINANCIAL ACTIVITIES 2021	Unrestricted Funds £	Restricted Funds £	2021 £
INCOME FROM:			
<i>Donations and legacies:</i>			
Salaries and pensions	19,695	-	19,695
Donations and legacies	223,746	12,242	235,988
JRS Furlough receipts	1,096	-	1,096
<i>Other Trading Activities:</i>			
Rental income	271,739	51,341	323,080
<i>Charitable activities:</i>			
Local communities and parishes	120,369	184,990	305,359
<i>Investments</i>	100,581	-	100,581
<i>Other</i>	13,480	10,480	23,960
Total	750,706	259,053	1,009,759
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Communities, parishes and their ministry	645,794	199,371	845,165
Total	645,794	199,371	845,165
Net income before investment losses	104,912	59,682	164,594
Net losses on investments	310,850	117,575	428,425
Gain on revaluation of investment property	-	-	-
Net income and net movement in funds	415,762	177,257	593,019
<i>Reconciliation of funds:</i>			
Fund Balances brought forward	8,497,384	1,552,170	10,049,554
Fund Balances carried forward	8,913,146	1,729,427	10,642,573

**THE SERVITE FRIARS, PROVINCE OF THE ISLES
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 DECEMBER 2022**

	Ordinary Receipts £	Ordinary Payments (including Subsidiaries) £	2022 £	2021 £
COMMUNITY				
Kersal	27,079	61,577	(34,498)	2,004
London	67,989	83,000	(15,011)	(15,416)
Parish				
Kersal	58,464	31,053	27,411	(29,322)
Our Lady of Dolours	209,646	235,666	(26,020)	6,968
Surplus of Communities, Parishes and others	<u>363,177</u>	<u>411,296</u>	<u>(48,118)</u>	<u>(35,766)</u>
PROVINCIAL FUND				
Ordinary Receipts				
Dividends and interest			95,703	100,206
Donations			63,325	232,212
Salaries & pensions			47,728	36,826
Rental income			349,618	307,214
Provincial contribution			22,500	24,545
Transfers			-	15,000
HMRC JRS Grants			-	1,096
			<u>578,874</u>	<u>717,099</u>
ORDINARY PAYMENTS				
Studies and sabbaticals			12,778	10,968
Travel and car expenses			11,047	1,619
Office costs			2,665	2,296
Chapter			7,007	3,972
Wages			48,832	37,683
Professional fees			40,833	55,435
General			50,611	6,688
Rates			49,802	-
Donations			109,048	135,082
Bank charges and interest			3,670	4,403
Repairs and maintenance			45,232	-
Curia			44,023	38,629
Insurance			81,545	80,908
Depreciation			74,040	83,949
Development			-	12,000
Healthcare			14,086	37,577
R&W Pension			39,007	16,982
			<u>634,226</u>	<u>516,739</u>
(Deficit)/surplus of Provincial Fund			<u>(55,352)</u>	<u>200,360</u>
(Deficit)/surplus before investment (losses)/gains			<u>(103,470)</u>	<u>164,594</u>
(Decrease)/(increase) in market value of investments			<u>(455,348)</u>	<u>428,425</u>
(Decrease)/(increase) in revaluation of investment property			<u>(850,000)</u>	<u>-</u>
Surplus for the year			(1,408,818)	593,019
Fund balances brought forward			10,642,573	10,049,554
Fund balances carried forward			<u>9,233,755</u>	<u>10,642,573</u>

This page does not form part of the audited accounts

TRUST PROPERTY HELD IN CONNECTION WITH BROTHER SERVANTS OF THE BLESSED VIRGIN SER

England & Wales - Charity number 249148

Accounts

**THE TRUSTEES OF THE SERVITE FRIARS,
PROVINCE OF THE ISLES
(A Registered Charity)**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Charity Number: 249148

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

Trust property held in connection with the Brothers Servants of the Blessed Virgin, Servite Fathers

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Father Christopher O'Brien OSM Father Patrick Ryall OSM Father Colm McGlynn OSM Father Vincent Coyne OSM Father Liam Tracey OSM (appointed September 2021) Father Allan Satur OSM (appointed September 2021) Father Paul Addison Father Peter Conniffe (resigned September 2021)
Prior Provincial (Chair)	Father Colm McGlynn OSM
Provincial Treasurer	Father Christopher O'Brien OSM
Principal Address	St Mary's Priory 264 Fulham Road London SW10 9EL
Telephone	020 7352 6965
Website	www.servitefriars.org
Charity Registration Number	249148
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	The Royal Bank of Scotland Relationship Management Team 6 th Floor 1 Princes Street London EC2R 8BP
Investment Managers	Epworth Investment Management Limited 9 Bonhill Street London EC2A 4PE
Solicitors	Carter Lemon Camerons LLP 10 Aldersgate Street London EC1A 4HJ
Property Advisers	Gerald Eve LLP 72 Welbeck Street London W1G 0AY

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

The first Trust deed of the Servite Order was registered with the Commissioners in 1878 under the number 249138. Then on 4 April 1935 another deed was drawn up under the title *The Brothers Servants of the Blessed Virgin*, with our present no 249148. Carrying forward this tradition of service the Trustees now present their report for the financial year ending the 31 December 2021.

INTRODUCTION

The Brothers Servants of the Blessed Virgin more often known as the Servite Friars live in two communities, one in London and the other in Salford. In both locations they are responsible for the pastoral care of a Church and the surrounding Catholic community. Another friar, living alone, has similar responsibilities for a parish church in Bath.

The Servite Friars have offered pastoral care and support in London since 1864 although the origins of the Order date from the thirteenth century.

During 2021 our long-standing ministry and pastoral care recovered somewhat after the lock-downs and restrictions of the previous year. Our tradition, derives from the Servite Constitutions and Province of the Isles Servite Directory together with our Trust Deed dating back to 1935.

The friars in both the London and Salford parishes are Trustees and responsible for a Voluntary Aided School. The Servite Primary School in London has 210 pupils while St Philips in Salford has 320 pupils and the Friars are Foundation Governors to both.

In accordance with a well-founded tradition support was given to our General Council in Rome and support of the Pontifical University, the Marianum. This international service is reviewed every six years and a new General Council elected.

During normal times the three parishes in London, Salford and Bath would have a weekly footfall in excess of 2,000. Each Mass would have an attendance of between 100 and 400. On certain days during the year this figure would be even greater marking the highlights of the Christian calendar such as Christmas and Easter or other special celebrations such as First Communions and Confirmations.

Also, during the year there would be a variety of other celebrations such as Baptisms, Marriages and Funerals. These would all draw a congregation from far and wide and in the case of marriages and funerals have to be arranged in conjunction with state registrars.

Mission

The Servite Order in the UK is aiming to use their resources for religious, educational and other charitable purposes in connection with the Roman Catholic Church (Trust Deed 1935).

- ❖ For the purposes of this report, the principal service, at present, would be the pastoral care of three parish churches and their congregations and the use of the parish centres and facilities for the people in the surrounding area. These are located in London, Salford, and Bath. (cf Trust Deed clause 5 section i)
- ❖ The friars in the London and Salford parishes have responsibility for the local Voluntary Aided schools both as Trustees and Governors.
- ❖ It would be seen as an integral part of our service to support the Order in its central administration and Servite Friars and the Church in the developing world. There is also a long tradition of helping other related charities both at home and abroad.
- ❖ The Care of the sick and elderly friars who have spent a life-time in service of the Church, the Order and Society at large. (cf Trust Deed clause 5 sections vi & vii) The English charity have undertaken responsibility for two of the Irish friars who are being cared for in care homes. Both are in separate homes in the North of Ireland.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT

Since its inception the Servite Order have operated according to a rule of Life, the Constitutions, and these have the approval of the Catholic Church and are in conformity with canon Law. It goes without saying these have been upgraded and amended periodically and the last time the Constitutions were amended was in September 2015. The local friars also have a Directory which adjusts the rules to local circumstances and in our case in line with UK charity law. The Directory was approved and updated in 2017.

The Province of the Isles has a leadership team consisting of the Prior Provincial and four Provincial Councillors. Each year there is a Provincial Chapter when all the friars (members of the Charity) meet to discuss policy and procedures. This can mandate the Provincial and his Council to implement proposals and directives. It can also take the form of in-service training. The Provincial Chapter approves of local by-laws known as the Directory. This document takes cognisance of Church Law and appropriate Civil law. Every fourth year a Provincial Chapter of Elections takes place, when elections and appointment to the various offices are effected. It is during this gathering that the AGM of the charity is held. Because of the pandemic the Provincial Chapter was postponed until September 2021, and likewise the AGM. The Provincial Elect was also confirmed in Office.

Between Provincial Chapters, the responsibility for the direction of the Province (the Charity) rests with the Provincial and his Council (cf Deed of Variation 21 Sep 1971). Where possible the Trustees are drawn from the Provincial Council. All trustees are members of the Order and they have a detailed knowledge of the work of the Charity and its structure; even so when appointed new trustees are reminded of the Charity Commission Guidance and are given a refresher course on the principal responsibilities of the charity its resources and aims and the relationship with our professional advisors; solicitors, auditors, stockbrokers and property advisers.

Risk Management

In line with the requirement of trustees the Charity has made an assessment of risk and identified the following areas:

Governance

Operational

Financial

Reputational

Laws, regulations, external and environment

Governance The Province of the Isles has twenty-one friars and their presence in England and Ireland is reported through to the three relevant civil authorities and registrations. Each year all the friars gather for a Provincial Chapter and this is when the AGM of the English Charity is held. All members continued to receive copies of the minutes.

Operational The responsibility for buildings such as the Priors is the direct responsibility of the Prior Provincial and the Provincial Council and their delegates; the local Priors. The well-being of the Parish churches and Parish properties are with the appointed parish team, together with their lay committees under the direction of the Parish Priest who is appointed by the Provincial Council. The worst possible interruption would be severe damage to one of the Churches. The safety net would be to use the nearby school halls on a temporary basis.

Financial The overall management of financial policy lies with the Provincial Finance Board who regulate the local centres of operation, the reserves policy is under review with professional advisers and records are kept of these meetings and conveyed to the Trustees at each of their meetings.

During 2021 these meetings were mostly conducted via the zoom platform.

The main source of our week to week income are the Church and parochial donations. After the lock down the numbers are gradually picking up again but have yet to reach the pre-pandemic figures.

A high priority is our *Pension and Welfare Cover*.

The care of the elderly is an enduring concern and the fund has had to cope with 2 of the friars being placed in care homes. Over the past five years the pension investment increased by 160% while the calls on the fund increased by 226%.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Laws, regulations, external and environment. This section looks at the effects of government policies, the consequences of non-compliance with laws and regulations. The Provincial Treasurer is a member of the Association of Provincial Bursars, which organises the annual conference, and is thus able to keep abreast of the developments in civil, charity and church law. The APB Conference for 2021 was able to resume as a face to face encounter.

Methods of holding personal information have been looked at afresh in the light of the GDPR legislation. Volunteers and contributors to the parishes are being asked to sign a new form of acceptance that their details are held on file for this purpose.

Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operations and business risks faced by the charity, they have established effective systems to mitigate those risks. The Risk assessment Policy was revised in March 2022.

Protection of Children and vulnerable Adults. Every trustee meeting would have a check on the procedures being followed in the friar's communities and among the parishioners and other lay helpers. We continued to engage a professional organisation Taye Training to help us with ongoing oversight and training. The Trustees have agreed to join with the rest of the Catholic Church in the new arrangements being established in the light of the IICSA report.

THE PROVINCIAL AND COUNCIL (TRUSTEES)

Besides the regular Council meetings, the Prior Provincial together with the Provincial Secretary are responsible for communications both within the Province and with our Generalate in Rome as well as other Priors Provincial. On a day-to-day basis this is by way of emails and online newsletters.

English continues to be a much-used language through-out the Order and a variety of tasks involving translation work come to the Province. The Provincial Secretary continues to do sterling work in this department.

The Trustees

Fr Colm McGlynn Prior Provincial/Chair of Trustees

Fr Colm joined the Order in 1980. Colm has served in all parts of the Province, Dublin, the North of Ireland, Scotland and England and he has served as Parish Priest in Dublin and Dundee. He has also had experience working with the Order in the Philippines. Colm served for several terms on the Provincial Council. He was awarded a B A in Humanities from Dublin City University in 2005. He served as Assistant Provincial and is now in his second term as Provincial.

Fr Liam Tracey Assistant Provincial

Liam joined the Servites in 1980. He has an STB from Dublin and a Doctorate in Liturgy from the Anselmianum, Rome 1996. For 20 years he was the Liturgy Professor in Maynooth University. He also acted as Conventual Prior on several occasions. In September 2021 he was elected as Assistant Provincial and member of the Provincial Council.

Fr Paul Addison Provincial Secretary.

Fr Paul joined the Servite Order in August 1958. After studies he had two terms serving on the central administration in Rome. Fr Paul has been responsible for the education and formation of student friars. As part of this ministry he has given courses and lectures in Italy, the USA, France, India and Uganda. He had a first period as Prior Provincial (chair of the charity) in 1991-1997. During that time he also served on the Board of the Servite Houses (housing association) now known as Optivo. He continues to serve on the Council as Provincial Secretary.

Fr Christopher O'Brien, Provincial Treasurer

Fr Christopher joined the Servite Order in 1965. In his early years he was engaged in teaching in both ordinary and special schools. From 1982-1996 he was engaged in educating Servites in Dublin, Oxford, Lesotho and Normandy in France. He has been a member of the Provincial Finance Council since 1980 but only assumed the Office of Provincial Treasurer in the year 2000. Since 2007 he has been a member of the General Council of Administration which sets the budget for the General Council. Besides financing the Generalate the Council oversees the administration of the Servite University in Rome; the Marianum.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Fr Allan Satur

Allan entered the Servite in 1994. He studied in Cebu and Rome and began his pastoral ministry in the Philippines. He joined the London community in 2012 and was awarded a Masters in Pastoral Theology in 2018. Since October 2021 he was appointed Parish Priest in London after having been elected to the Provincial Council and Trustees in September of that year.

Fr Patrick Ryall

Fr Patrick joined the Order in 1963. He spent 12 years in the London Parish 9 of them as Parish Priest. He has also served as a student master; 9 years in Oxford and 3 in Rome. In 1997 he again served as Parish Priest in London before serving as the first Prior Provincial of the newly formed Province of the Isles from 2000-2009. He also served on the board of Servite Houses now known as Optivo. From 2010-2021 he was once more elected Prior and Parish Priest of the London Community.

Fr Vincent Coyne

Fr Vincent joined the Servite Order in September 1959. After upgrading his degree with a Certificate of Education, he taught at St Peter's High School, Manchester from 1973-1979. From 1985 -1991 he served as Prior Provincial and chair of the Trust. Since 1997 he has again been involved in Parish ministry and is at present Prior and Parish priest in the Salford Parish.

Public benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. These requirements are addressed in this report.

Statement of Trustees Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees of the charity 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 net income or expenditure of the charity for that period. In preparing those financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with 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.

Activities, Specific Objectivities and Relevant Policies

In accordance with a long-standing tradition the Province has continued to contribute and support the international **Servite Generalate based in Rome**. During 2021 over £46,000 was sent through to Rome of which £26,000 was earmarked to support the **Marianum**, the Servite University in Rome. These sums are agreed and budgeted for at the General Council of Administration during the spring of each year, and then a full detailed report is given at the Council of Administration the following spring. The Treasurer of the Province is member of this General Council of Administration. The Council of Administration meeting for 2021 was held online.

The Benburb Library, Museum and Provincial Archive

This facility while existing within the Northern Ireland Trust (Order of Mary Servite Trust) caters for all three charitable trusts and so Provincial funds continue to offer support. In particular the London based trust provided £63,000 of the Service Level Agreement (£75,000) to cover the expenses of the Library, Archives and the related staff. The Community had also taken on some expensive contracts, when the previous Bursar was sick and in order help the Priory achieve a degree of balance the charity offered £75,000 to terminate the contracts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Servite Missions

Our Servite Communities in England along with the support of the Parishes have continued to support other Servite friars working in more challenging parts of the world.

2021 saw our continued support for the student programme in the **Philippines** £15,024. At the end of the year the Filipino Provincial bursar gave a full report saying how the money was split three ways supporting the tuition fees of the Philosophy students, payment of the fees of the students studying at the Marianum in Rome and the last part towards the upkeep of the students in the student community.



The Filipino students outside the Marianum College, who we help to support

Also in the Philippines there was a devastating cyclone in December 2020 and the London Parish was able to contribute £1,148 in aid.

We continued to support the friars in **Mozambique** who are offering support and a safe environment to the youth of Matola in an after school hours Project. In 2021 we donated £13,000.



Some of the students studying after school



A bag of maize being distributed to the neighbours

CAFOD the overseas aid charity appealed to for special support in the light of many parishes being unable to continue with their usual level of support. Our Charity contributed £11,788.

With the pandemic still raging across the world we were able to reach out in smaller ways to appeals from India, Haiti, the DR of Congo and Uganda as well as a tree planting scheme in Africa. All together this aid amounted to £3,911.

With the effects of Covid and the lock down still prevalent at home we continued to support home charities to the tune of £3,096, almost half of which was channelled through the diocesan charities of **Caritas** in diocese of Salford and Westminster both of which are focused on families in difficulty.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Volunteers

Area	No of Volunteers	Hours Volunteered
Preparing and celebrating Services	6	5,100
Pastoral Planning, teaching/meetings study	5	2,550
Home visits of the sick	5	1,100
Administration	7	4,800
One to one direction, guidance etc	5	1,150
Hospital visits and Care of the elderly	5	510
Communication	2	1,350
School, Governors, teaching etc	3	325

Throughout the year the friars give their time and energy pursuing the goals of the Charity. They either receive no specific financial reward or else pay their earnings or stipends into the common fund.

Most of the friars are past retiring age but continue to help out and serve according to their ability and fitness. These friars have served the Charity for the whole of their adult life.

Some of the members are heavily involved in the work of administering the Charity and without their service the charity would not be able to function effectively or according to the norms of the Charity Commission.

If this service was valued at the rate of £200 a day this would amount to over £482,000 of service to the local community.

Both the London and Salford Parish Communities can boast a large group of lay volunteers who give their time, expertise and energy on a regular basis. The Covid restrictions and the lock-downs disrupted the regular pattern of this volunteering and the number that were available to each parish. Last year 2021 saw the emergence of a slimmed down but more regular pattern beginning to emerge.

The London Parish identified 96 regular volunteers during 2021. These included cleaners, flower arrangers and maintenance people along with counters and others helping with administration. Alongside these are those involved in services themselves which include Choir members, Altar servers, Readers and ministers of the Eucharist. Outside the services and worship times there are catechists who prepare parents, children and young people for the sacraments; plus a faithful few who visit the housebound to bring Holy Communion or help with household chores. Over the year there was a total of 5,605 hours donated to keep the charity in touch and operational.

The Kersal Parish were able to identify 99 regular volunteers. These would have performed many of the same tasks as those connected with the London Parish. In addition, in Kersal there are four regular volunteers who help to keep the garden in good shape during the spring and summer months. There is also a volunteer cook to help with the shopping and preparing of meals. Again when aggregated together this made a total of 6,749 voluntary hours service in the course of the year. Totalling the two parishes this comes to 12,354 voluntary hours over the course of 2021.

Our Lady of Dolours London Parish and St Marys Priory

After the privations of the lock-down in 2020 the church was again open for prayer and worship on every day of the year. Having said that precautions were still in place and needed careful stewarding and monitoring. Baptisms and funerals could once more be celebrated by bringing groups and families together although masks and hand cleaning continued to be the order of the day to keep everyone safe.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

It was heartening to see some of the older parishioners, the over seventies and over eighties to be among the first to begin regular attendance once the restrictions began relaxing.

The monthly service for cancer sufferers and their families, which was suspended during the lock-down, returned to its usual place each month, and was appreciated by the disparate group that gathers from across the diocese and occasionally from further afield.

One of the friars baptised as a baby in 1991 with the name of Carlo Acutis. Although born here in London his parents moved back to Milan before the end of the year and Carlo grew up there. In 2006 he was diagnosed with an aggressive form of leukaemia from which he died that autumn. It would appear that he displayed extraordinary faith and charity throughout his short life and in 2021 he was proclaimed Blessed by the Catholic Church. As his extraordinary life is becoming better known there are an increasing number of 'pilgrims' coming to visit the church and in particular the baptistry to seek inspiration and blessings.

The sequence of lockdowns followed by restricted opening of the church; followed by renewed restrictions and then further relaxation, enabled the parish to have a better scheduling of Sunday Services and allowing better changeover time between the different groups.

In December 2021 the Servite Primary School, for whom we are Foundation Governors, was awarded outstanding by the Ofsted inspectors. An extraordinary achievement after about a week's notice.

Our Lady of Dolours, Salford and Servite Priory

The restrictions due to Covid affected attendance throughout the year but fortunately were eased by the end of the year so that all who were willing and able could attend all the Christmas celebrations with all the attendant flowers, decorations, music and choirs.

The loaves and fishes, a Diocesan charity in Salford, continued to be well supported by the parish, but the request was made that this support should be in the form of monetary gifts rather than foodstuffs. Accordingly, a separate fund was set-up and delivered quickly to the appropriate centre in Salford. Over the year the parish delivered £1,100 to the Charity.

The Kersal parish has a dedicated group of 11 volunteers who week by week reach out to the sick and housebound. Each of them spends at least an hour each week visiting one or two of the sickest people in the parish. This is prayerful support, but also keeps them in touch with the news and social events of the parish community.

2021 also marked the moment for some major work on the church roof. The tiles are a special shape, similar to those found in Mediterranean countries, and so to replace many of them at the lower levels that had been cracked or broken a special firing was needed. This also involved some internal work to repair the damp patches and plaster work that had developed as a result of the problems with the roof. The total bill came to £39,750.

The Management of Property

The discount offered to Petra's Place continued throughout this year. A discount of 50% on the monthly rent was agreed to by the Trustees as Petra's Foundation continued to recover from the pandemic. It is hoped that full rent may resume at the rent review in May 2022.

At the end of the year we received word that the CNWL NHS trust were looking for an early closure of their lease which was due to expire at the end of September 2022.

FINANCIAL REVIEW

Income in the year amounted to £1,009,759 (2020: £919,347). Expenditure also increased to £845,165 (2020: £773,716). The income from the legacy mentioned in last year's report continued to be realised with another tranche paid through during 2021. After careful consideration the Trustees agreed to award an increased subsidy to the Northern Ireland Charity which had made great strides in rewriting its Trust document and putting its finances on a much sounder footing.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves Policy

During 2021 our portfolios increased by a very healthy 16%. This was a combination of the recovery in the market and the injection of funds as a result of a benefactor who died in 2020. The charity's reserves stood at £8.9m at the year-end of which £2.5m is tied up in fixed assets, which are required for the charity's continuing activities. A further £2.85m is tied up in investment property. After other designations, the charity's general funds amount to £765k which represents just under one year's expenditure. The trustees consider this to be a reasonable but not excessive level of reserves required for the charity's ongoing requirements.

The *Servite Student Trust Fund* is a restricted Fund invested through the generosity of two donors. The principal donor stipulated that the interest should be used for the education of Servite Students. It was a condition of the bequest that 40% should be in stocks and bonds and 60% in equities and the dividends and income used exclusively to fund the education of Servite students. It is presently be used for our own students 47% and international Servite students 53%.

The *General Fund* is a contingency fund to underpin the central administration of the Charity and ensure continuity in the event of income variation. It is largely the result of some benefactors and fund raising in the early and middle part of the 20th century. It comprises 15% of the total portfolio. Ideally it should be stronger to help fund lay assistants who will be needed to perform the duties undertaken by the aging friars.

The *Retirement and Welfare Fund* continues to play a pivotal role in the charity's finances as two friars are now permanently in care homes in the North of Ireland. This fund received a much-needed boost from the generosity of a deceased parishioner. Over 17 years the support for each of the elderly has trebled to average of £620 per month for each friar. This payment is made to the community fund in which the friar resides.

The *Property Fund* was realised at the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair. In 2012 this fund stood at £442k and was run right back to £9k when buying back the 264 frontage. It is now being built up ready for the next realignment. At end of 2021 it had reached £258k.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

The *Church Restoration Fund* was set up as a separate charity in the 1980s to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Church, a grade II listed building. At beginning of 2016 the charity was dissolved and the remaining funds becoming a Restricted fund within the main charity. By the end of 2021 it had reached £125k.

The *Special Projects Fund* This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities and good causes and so safeguards ordinary income streams.

Investment Strategy

A new investment policy was worked out towards the end of 2021 and received approval from the Trustees in January 2022.

The Provincial Finance Council will take the advice of qualified financial experts, the respective brokers in each of the three Investments, but also through membership of the Church Investors Group, and the Association of Provincial Bursars in the UK and Ireland.

Environmental, social and governance factors are core to our investment strategy and should be analysed and fully integrated within the investment process. This includes active engagement, participation in voting and helping to promote best practice in each of these areas.

The trust precludes investment in any companies that derives more than 10% of their revenue from tobacco, gambling, pornography, or armaments.

The Finance Council are requested to look into the moral status and operating methods of the different companies to ascertain that they are broadly in line with our Servite and Christian ethos. We are totally committed to the protection of human life from conception to death, therefore, special care needs to be taken to protect human life, even in the womb. This should be borne in mind when investing in pharmaceuticals or medical research.

It is also requested that a company's international record is monitored, especially where it has dealings with countries where UN recognised human rights are severely restricted. A failure in this area would be tantamount to condoning and

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

cooperating in the oppression of the ordinary citizens and the common good.

Because of the urgency of the present moment companies must be carefully checked as to their transparency in disclosing their carbon footprint, their plans to decrease it, and the sustainability and fair employment involved in their supply lines. It is envisaged that all portfolios will have no investment in carbon fuels by 2025.

Impact investing is part of our overall strategy. It allows us to align more closely to our charitable objects and promote a more sustainable economy in line with our Christian beliefs and ministry while still being an economically sound investment.

FUTURE PLANS

Order of Mary Servite Trust

As indicate above the reserves improved by 16% during 2021 but with the aging of some of the friars there is still the prospect that certain roles and responsibilities will have to be outsourced and raises the question of whether we can cover the salary of a lay replacement and afford that change into the future.

The past three years have seen us recruit a student who has now completed two years of academic studies and is ready for his next step in spiritual formation.

In November 2020 a young Servite priest from Uganda gained sponsorship to live and work with the community in London and there is now the prospect of a second Ugandan priest friar coming to join the Kersal community.

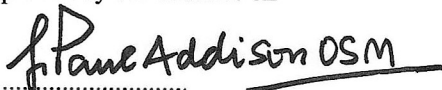
2023 will mark the centenary of the Servite Friars being the custodians of the Kersal Parish on behalf of the Salford Diocese. Already plans are being drawn-up to celebrate this landmark event.

Auditors

A resolution proposing the re-appointment of haysmacintyre as auditors to the charity will be put to the annual general meeting.

Approved by the Trustees on

07 Sept 2022 and signed on their behalf by:



.....
Fr Paul Addison OSM (Trustee)



.....
Fr Christopher O'Brien OSM (Trustee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

Opinion

We have audited the financial statements of The Servite Friars, Province of the Isles for the year ended 31 December 2021 which comprise the Balance Sheet, Statement of Financial Activities, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 08/09/2022

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

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	2	2,520,612	2,553,358
Investment Property	3	2,850,000	2,850,000
Investments	4	4,972,197	4,265,391
		<u>10,342,809</u>	<u>9,668,749</u>
CURRENT ASSETS			
Debtors	5	27,785	23,757
Cash at bank		360,257	442,223
		<u>388,042</u>	<u>465,980</u>
CREDITORS: Amounts falling due within one year	6	<u>(32,778)</u>	<u>(29,675)</u>
NET CURRENT ASSETS		<u>355,264</u>	<u>436,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,698,073	10,105,054
CREDITORS: Amounts falling due after more than one year	7	<u>(55,500)</u>	<u>(55,500)</u>
NET ASSETS		<u>10,642,573</u>	<u>10,049,554</u>
FUNDS			
Restricted:			
- Student Trust Fund		1,317,569	1,216,059
- Parish Fund		286,704	227,022
- Church Restoration Fund		125,154	109,089
Unrestricted:			
Designated			
- Fixed Assets Fund		2,520,612	2,553,358
- Investment Property Fund		2,850,000	2,850,000
- Property Development Fund		258,687	214,707
- Retirement and Welfare Fund		1,788,345	1,517,809
- School Governors' Fund		117,131	104,349
- Special Projects Fund		225,104	180,645
- St Mary's Priory Fund		387,626	342,494
General Fund		765,641	734,022
	8	<u>10,642,573</u>	<u>10,049,554</u>

Approved by the Trustees and authorised for issue on

Fr Paul Addison OSM

 Fr Paul Addison OSM (Trustee)

Fr Christopher O'Brien OSM

 Fr Christopher O'Brien OSM (Trustee)

07 Sept. 2022 and signed on their behalf by.

The accompanying notes form part of these accounts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Salaries and pensions		19,695	-	19,695	49,907
Donations and legacies		223,746	12,242	235,988	261,921
JRS Furlough receipts		1,096	-	1,096	13,628
<i>Other Trading Activities:</i>					
Rent and service charges		271,739	51,341	323,080	305,688
<i>Charitable activities:</i>					
Local communities and parishes		120,369	184,990	305,359	195,842
<i>Investments</i>	10	100,581	-	100,581	65,422
<i>Other</i>		13,480	10,480	23,960	26,939
Total		<u>750,706</u>	<u>259,053</u>	<u>1,009,759</u>	<u>919,347</u>
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Communities, parishes and their ministry		645,794	199,371	845,165	773,716
Total	12	<u>645,794</u>	<u>199,371</u>	<u>845,165</u>	<u>773,716</u>
Net income before gains on investments		104,912	59,682	164,594	145,631
Net gains /(losses) on investments	4	310,850	117,575	428,425	(130,186)
Gain on revaluation of investment property		-	-	-	2,376,493
Net income and net movement in funds		<u>415,762</u>	<u>177,257</u>	<u>593,019</u>	<u>2,391,938</u>
<i>Reconciliation of funds:</i>					
Fund Balances brought forward		<u>8,497,384</u>	<u>1,552,170</u>	<u>10,049,554</u>	<u>7,657,616</u>
Fund Balances carried forward		<u><u>8,913,146</u></u>	<u><u>1,729,427</u></u>	<u><u>10,642,573</u></u>	<u><u>10,049,554</u></u>

All the charity's activities over the two financial years above are derived from continuing activities. There are no other recognised gains and losses other than those included above. The accompanying notes form part of these accounts.

**THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Cash flows for operating activities:			
Net cash used in operating activities	15	(187,495)	(166,500)
Cash flow from investing activities:			
Dividends, interest and rent from investments		423,661	371,110
Proceeds from sale of investments		168,200	1,736,762
Purchase of investments		(446,581)	(1,894,512)
Purchase of fixed assets		(39,751)	(3,970)
Net cash provided by investing activities		<u>105,529</u>	<u>209,390</u>
Change in cash and cash equivalents in the year		(81,966)	42,890
Cash and cash equivalents at the beginning of the year	16	442,223	399,333
Cash and cash equivalents at the end of the year	16	<u>360,257</u>	<u>442,223</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) 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 estimating the economic useful life of tangible fixed assets.

(c) 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 one year from the date of approval of these accounts.

The Trustees of the charity 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 two accounting periods, the years ending 31 December 2022 and 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).

(d) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are carried at fair value. No depreciation is charged on investment properties.

(e) Tangible Fixed Assets

Land and buildings are shown at 10% of their insurance valuation plus additions since January 1999 at cost. Depreciation is provided evenly over the estimated useful lives of each asset.

Buildings - 2% per year
Motor vehicles - 25% per year

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Restricted Funds

The restricted fund represents donations received with specific restrictions placed by the donors which have not yet been spent.

(k) Designated Funds

The designated funds represent amounts set aside by the Trustees to fulfil specific charitable objectives.

(l) Income

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Collections and donations are included in the accounts when received.

Members' salaries – there are no friars/members receiving salaries during 2021.

Rental income is stated gross of any fees deducted and is recorded on a receivable basis.

Investment income is credited to income when it is 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(m) Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

2. FIXED ASSETS

Land and buildings are mainly in use by the Province and are not generally available for sale.

	Land and Buildings £	Motor Vehicles £	Total £
COST			
As at 1 January 2021	3,288,181	52,399	3,340,580
Additions	39,751	-	39,751
As at 31 December 2021	<u>3,327,932</u>	<u>52,399</u>	<u>3,380,331</u>
DEPRECIATION			
As at 1 January 2021	745,718	41,504	787,222
Charge for the year	66,559	5,938	72,497
As at 31 December 2021	<u>812,277</u>	<u>47,442</u>	<u>859,719</u>
NET BOOK VALUE			
As at 31 December 2021	<u>2,515,655</u>	<u>4,957</u>	<u>2,520,612</u>
As at 31 December 2020	<u>2,542,463</u>	<u>10,895</u>	<u>2,553,358</u>

3. INVESTMENT PROPERTY

	2021 £
Valuation	
As at 1 January 2021	2,850,000
Revaluation	-
As at 31 December 2021	<u>2,850,000</u>

The part of the charity's premises at 262a Fulham Road (known as the 'T-Block') is an investment property as it is let out for commercial use. It was revalued at 31 December 2020 by Gerald Eve LLP, Chartered Surveyors at £2,850,000, who have confirmed that there have been no change in value since that date.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

4. INVESTMENTS

	Unrestricted £	Restricted £	2021 £	2020 £
Market Value as at 1 January 2021	2,905,002	1,360,389	4,265,391	4,237,827
Additions	381,273	65,308	446,581	1,894,512
Disposals	(108,400)	(59,800)	(168,200)	(1,736,762)
Net investment gains	316,358	112,067	428,425	(130,186)
	<u>3,494,233</u>	<u>1,477,964</u>	<u>4,972,197</u>	<u>4,265,391</u>
Market Value as at 31 December 2021	<u>3,494,233</u>	<u>1,477,964</u>	<u>4,972,197</u>	<u>4,265,391</u>
Cost as at 31 December 2020	<u>3,045,960</u>	<u>1,250,798</u>	<u>4,296,758</u>	<u>4,010,957</u>

Analysis of Investments	2021 £	2020 £
Unit Trusts	4,879,311	4,178,065
Cash held as part of an investment portfolio	92,886	87,326
	<u>4,972,197</u>	<u>4,265,391</u>

5. DEBTORS

	2021 £	2020 £
Prepayments and accrued income	27,785	23,757
	<u>27,785</u>	<u>23,757</u>

6. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Other creditors	5,901	2,179
Accruals	15,900	15,900
VAT due	10,977	11,056
	<u>32,778</u>	<u>29,675</u>

7. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Rent deposit	<u>55,500</u>	<u>55,500</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

8. FUNDS - 2021

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2021 £
Restricted					
- Students Trust Fund	1,216,059	-	-	101,510	1,317,569
- Parish Fund	227,022	259,053	(199,371)	-	286,704
- Church Restoration Fund	109,089	-	-	16,065	125,154
	<u>1,552,170</u>	<u>259,053</u>	<u>(199,371)</u>	<u>117,575</u>	<u>1,729,427</u>
Designated					
- Fixed Assets Fund	2,553,358	-	(32,746)	-	2,520,612
- Investment Property Fund	2,850,000	-	-	-	2,850,000
- Property & Development Fund	214,707	-	-	43,980	258,687
- Retirement and Welfare Fund	1,517,809	-	-	270,536	1,788,345
- School Governors' Fund	104,349	-	-	12,782	117,131
- Special Projects Fund	180,645	-	-	44,459	225,104
- St Mary's Priory Fund	342,494	-	-	45,132	387,626
	<u>7,763,362</u>	<u>-</u>	<u>(32,746)</u>	<u>416,889</u>	<u>8,147,505</u>
General Fund	<u>734,022</u>	<u>750,706</u>	<u>(613,048)</u>	<u>(106,039)</u>	<u>765,641</u>
	<u><u>10,049,554</u></u>	<u><u>1,009,759</u></u>	<u><u>(845,165)</u></u>	<u><u>428,425</u></u>	<u><u>10,642,573</u></u>

FUNDS – 2020

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2020 £
Restricted					
- Students Trust Fund	1,226,474	-	-	(10,415)	1,216,059
- Parish Fund	178,018	235,157	(186,153)	-	227,022
- Church Restoration Fund	102,826	-	-	6,263	109,089
	<u>1,507,318</u>	<u>235,157</u>	<u>(186,153)</u>	<u>(4,152)</u>	<u>1,552,170</u>
Designated					
- Fixed Assets Fund	3,106,844	-	(79,979)	(473,507)	2,553,358
- Investment Property Fund	-	-	-	2,850,000	2,850,000
- Property & Development Fund	200,206	-	-	14,501	214,707
- Retirement and Welfare Fund	1,445,478	-	-	72,331	1,517,809
- School Governors' Fund	107,371	-	-	(3,022)	104,349
- Special Projects Fund	167,246	-	-	13,399	180,645
- St Mary's Priory Fund	350,543	-	-	(8,049)	342,494
	<u>5,377,688</u>	<u>-</u>	<u>(79,979)</u>	<u>2,465,653</u>	<u>7,763,362</u>
General Fund	<u>772,610</u>	<u>684,190</u>	<u>(507,584)</u>	<u>(215,194)</u>	<u>734,022</u>
	<u><u>7,657,616</u></u>	<u><u>919,347</u></u>	<u><u>(773,716)</u></u>	<u><u>2,246,307</u></u>	<u><u>10,049,554</u></u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue)

FOR THE YEAR ENDED 31 DECEMBER 2021

The *Servite Students Trust Fund* represents monies received for the training and education of Friars. This balance is held as part of the investment portfolio.

The *Parish Fund* represents monies raised by the Parish worshipping community and can only be used in the local parish to meet the needs of that community.

The *Church Restoration Fund* represents monies set aside to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Servite Church, London .

The *Fixed Assets Fund* is maintained at book value and represents the net investment in fixed assets.

The *Investment Property Fund* was realised on the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair.

The *Retirement and Welfare Fund* was begun in 1993 to fund Servite Friars in their retirement. Most friars receive no state pension or less than the basic pension despite having spent all their adult life in service of the public. In 1999 the fund began paying a modest payment to all communities that have senior members among their number.

The *Special Projects Fund*. This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,317,569	-	-	1,317,569
- Parish Fund	-	-	286,704	-	286,704
- Church Restoration Fund	-	125,154	-	-	125,154
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,520,612	-	-	-	2,520,612
- Investment Property Fund	-	2,850,000	-	-	2,850,000
- Property & Development Fund	-	258,687	-	-	258,687
- Retirement and Welfare Fund	-	1,788,345	-	-	1,788,345
- School Governors' Fund	-	117,131	-	-	117,131
- Special Projects Fund	-	225,104	-	-	225,104
- St Mary's Priory Fund	-	387,626	-	-	387,626
General	-	752,581	68,560	(55,500)	765,641
	<u>2,520,612</u>	<u>7,822,197</u>	<u>355,264</u>	<u>(55,500)</u>	<u>10,642,573</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue

FOR THE YEAR ENDED 31 DECEMBER 2021

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2020

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,216,059	-	-	1,216,059
- Parish Fund	-	-	227,022	-	227,022
- Church Restoration Fund	-	109,089	-	-	109,089
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,553,358	-	-	-	2,553,358
- Investment Property Fund	-	2,850,000	-	-	2,850,000
- Property & Development Fund	-	214,707	-	-	214,707
- Retirement and Welfare Fund	-	1,517,809	-	-	1,517,809
- School Governors' Fund	-	104,349	-	-	104,349
- Special Projects Fund	-	180,645	-	-	180,345
- St Mary's Priory Fund	-	342,494	-	-	342,494
General	-	580,239	209,283	(55,500)	734,022
	<u>2,553,358</u>	<u>7,115,391</u>	<u>436,305</u>	<u>(55,500)</u>	<u>10,049,554</u>

10. INVESTMENT INCOME

	2021 £	2020 £
Income from UK quoted investments	100,491	64,214
Bank interest	90	1,208
	<u>100,581</u>	<u>65,422</u>

11. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

The trustees of the Charity are also members of the Province and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the five trustees are therefore borne by the Charity. During 2021 because of the pandemic, P M O'Brien, the brother of a trustee, Father Christopher O'Brien, was paid £3,254 (2020: £1,661) plus deductions of £813 to HMRC in tax as an employee. There were no amounts owing or owed at the year-end.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

12. ANALYSIS OF EXPENDITURE - 2021

	Staff Costs £	Donations £	Other £	2021 £	2020 £
<i>Charitable activities:</i>					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	7,596	-	38,573	46,169	61,174
- London	27,009	1,200	143,547	171,756	124,979
Parishes:					
- Kersal	5,469	5,332	65,055	75,856	22,787
- Our Lady of Dolours	33,318	2,585	98,843	134,746	73,823
Province	27,520	178,464	210,654	416,638	490,953
	<u>100,912</u>	<u>187,581</u>	<u>556,672</u>	<u>845,165</u>	<u>773,716</u>

All costs are directly attributable to the activities under which they have been analysed.

Included in the above are the following:

Fees paid to the auditors:

- Auditors' remuneration	11,000	10,200
- Other fees	4,960	4,960
Depreciation	72,497	83,949
Donations	149,414	137,450

ANALYSIS OF EXPENDITURE - 2020

	Staff Costs £	Donations £	Other £	2020 £
<i>Charitable activities:</i>				
Communities, Parishes and their ministry:				
Communities:				
- Kersal	4,950	1,500	54,724	61,174
- London	25,534	9,076	90,369	124,979
Parishes:				
- Kersal	5,304	4,270	13,213	22,787
- Our Lady of Dolours	27,527	12,565	33,731	73,823
Province	23,577	110,039	357,337	490,953
	<u>86,892</u>	<u>137,450</u>	<u>549,374</u>	<u>773,716</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES**NOTES TO ACCOUNTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2021****13. STAFF COSTS**

	2021	2020
	£	£
Gross salaries	95,735	81,890
Employer's NI	5,177	5,002
	<u>100,912</u>	<u>86,892</u>

No trustees (who are the charities key management personnel) received remuneration for their services during the current or prior year. No trustees received any reimbursed expenses during the current or prior year.

At the beginning of 2021 there was 1 full time and 8 part time employees (2020 – 1 full time and 9 part time employees). One of the part timers left during 2021 so at the end of the year there were 1 full and 7 part timers the equivalent to 3.4 full time workers.

14. CUSTODIANSHIP

At the beginning of 2021 the BlackRock Investment was valued at £198,318 and by 31 December it was £217,767. We continue to administer this fund on behalf of our related charity in the North of Ireland Order of Mary Servite Trust (XN55092).

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FOR OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the year as per the Statement of Financial Activities	593,019	2,391,938
Adjustments for:		
Depreciation charges	72,497	83,949
Gain on revaluation of investment property	-	(2,376,493)
Loss/(gains) on investments	(428,425)	130,186
Dividends, interest and rents from investments	(423,661)	(371,110)
Increase in debtors	(4,028)	(4,964)
Decrease in creditors	3,103	(20,006)
	<u>(187,495)</u>	<u>(166,500)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Bank accounts	<u>360,257</u>	<u>442,223</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

17. STATEMENT OF FINANCIAL ACTIVITIES 2020	Unrestricted Funds £	Restricted Funds £	2020 £
INCOME FROM:			
<i>Donations and legacies:</i>			
Salaries and pensions	49,907	-	49,907
Donations and legacies	208,225	53,696	216,921
JRS Furlough receipts	13,628	-	13,628
<i>Other Trading Activities:</i>			
Rental income	292,271	13,417	305,688
<i>Charitable activities:</i>			
Local communities and parishes	34,947	160,895	195,842
<i>Investments</i>			
	65,422	-	65,422
<i>Other</i>	19,790	7,149	26,939
Total	684,190	235,157	919,347
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Communities, parishes and their ministry	587,563	186,153	773,716
Total	587,563	186,153	773,716
Net income before investment losses	96,627	49,004	145,631
Net losses on investments	(126,034)	(4,152)	(130,186)
Gain on revaluation of investment property	2,376,493	-	2,376,493
Net income and net movement in funds	2,347,086	44,852	2,391,938
<i>Reconciliation of funds:</i>			
Fund Balances brought forward	6,150,298	1,507,318	7,657,616
Fund Balances carried forward	8,497,384	1,552,170	10,049,554

**THE SERVITE FRIARS, PROVINCE OF THE ISLES
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 DECEMBER 2021**

	Ordinary Receipts £	Ordinary Payments (including Subsidiaries) £	2021 £	2020 £
COMMUNITY				
Kersal	48,173	46,169	2,004	23,353
London	163,340	178,756	(15,416)	(25,298)
Parish				
Kersal	71,738	101,060	(29,322)	3,461
Our Lady of Dolours	187,314	180,346	6,968	14,947
Surplus of Communities, Parishes and others	<u>470,565</u>	<u>506,331</u>	<u>(35,766)</u>	<u>16,463</u>
PROVINCIAL FUND				
Ordinary Receipts				
Dividends and interest			100,206	66,416
Donations			232,212	206,654
Salaries & pensions			36,826	1,298
Sundry receipts			-	10,000
Rental income			307,214	281,938
Provincial contribution			24,545	15,996
Transfers			15,000	20,000
HMRC JRS Grants			1,096	13,328
			<u>717,099</u>	<u>615,630</u>
ORDINARY PAYMENTS				
Studies and sabbaticals			10,968	10,106
Travel and car expenses			1,619	1,980
Office costs			2,296	1,463
Chapter			3,972	540
Wages			37,683	23,577
Professional fees			55,435	55,121
General			6,688	9,575
Donations			135,082	114,017
Bank charges and interest			4,403	3,597
Repairs and maintenance			-	84
Curia			38,629	54,665
Insurance			80,908	73,155
Depreciation			72,497	83,949
Development			12,000	15,000
Healthcare			37,577	28,760
R&W Pension			16,982	10,873
			<u>516,739</u>	<u>486,462</u>
Surplus of Provincial Fund			<u>200,360</u>	<u>129,168</u>
Surplus before investment gains			<u>164,594</u>	<u>145,631</u>
Increase/(decrease) in market value of investments			428,425	(130,186)
Revaluation surplus			-	2,376,493
Surplus for the year			593,019	2,391,938
Fund balances brought forward			10,049,554	7,657,616
Fund balances carried forward			<u>10,642,573</u>	<u>10,049,554</u>

This page does not form part of the audited accounts

Accounts

**THE TRUSTEES OF THE SERVITE FRIARS,
PROVINCE OF THE ISLES
(A Registered Charity)**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity Number: 249148

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

Trust property held in connection with the Brothers Servants of the Blessed Virgin, Servite Fathers

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Father Christopher O'Brien OSM Father Patrick Ryall OSM Father Colm McGlynn Father Vincent Coyne Father Peter Conniffe Father Paul Addison
Prior Provincial (Chair)	Father Paul Addison OSM Father Colm McGlynn OSM (elected March 2020)
Provincial Treasurer	Father Christopher O'Brien OSM
Principal Address	St Mary's Priory 264 Fulham Road London SW10 9EL
Telephone	020 7352 6965
Fax	020 7351 9749
Website	www.servitefriars.org
Charity Registration Number	249148
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	The Royal Bank of Scotland Relationship Management Team 6 th Floor 1 Princes Street London EC2R 8BP
Investment Managers	Epworth Investment Management Limited 9 Bonhill Street London EC2A 4PE
Solicitors	Carter Lemon Camerons LLP 10 Aldersgate Street London EC1A 4HJ
Property Advisers	Gerald Eve LLP 72 Welbeck Street London W1G 0AY

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

The first Trust deed of the Servite Order was registered with the Commissioners in 1878 under the number 249138. Then on 4 April 1935 another deed was drawn up under the title *The Brothers Servants of the Blessed Virgin*, with our present no 249148. Carrying forward this tradition of service the Trustees now present their report for the financial year ending the 31 December 2020.

INTRODUCTION

The Brothers Servants of the Blessed Virgin more often known as the Servite Friars live in two communities, one in London and the other in Salford. In both locations they are responsible for the pastoral care of a Church and the surrounding Catholic community. Another friar, living alone, has similar responsibilities for a parish, church in Bath.

The Servite Friars have offered pastoral care and support in London since 1864 although the origins of the Order date from the thirteenth century.

During 2020 our long-standing ministry and pastoral care continued as best we could despite Covid 19 ravaging all round the world. Our tradition, derived from the Servite Constitutions and Province of the Isles Servite Directory together with our Trust Deed dating back to 1935 continued, despite the privations of government and diocesan advice and guidance.

The friars in both the London and Salford parishes are Trustees and responsible for a Voluntary Aided School. The Servite Primary School in London has 210 pupils while St Philips in Salford has 320 pupils and the Friars are Foundation Governors to both.

In accordance with a well-founded tradition support was given to our General Council in Rome and support of the Pontifical University, the Marianum. This international service is reviewed every six years and a new General Council elected.

During normal times the three parishes in London, Salford and Bath would have a weekly footfall in excess of 2,000. Each Mass would have an attendance of between 100 and 400. On certain days during the year this figure would be even greater marking the highlights of the Christian calendar such as Christmas and Easter or other special celebrations such as First Communion and Confirmations.

Also, during the year there would be a variety of other celebrations such as Baptisms, Marriages and Funerals. These would all draw a congregation from far and wide and in the case of marriages and funerals have to be arranged in conjunction with state registrars.

The Charity gives space and hospitality to four self-help groups in the Parish hall at a massively discounted rate for this part of central London. Due to the lock-down these meetings were suspended in March 2020 and at the time of writing have yet to resume.

Mission

The Servite Order in the UK is aiming to use their resources for religious, educational and other charitable purposes in connection with the Roman Catholic Church (Trust Deed 1935).

- ❖ For the purposes of this report, the principal service, at present, would be the pastoral care of three parish churches and their congregations and the use of the parish centres and facilities for the people in the surrounding area. These are located in London, Salford, and Bath. (cf Trust Deed clause 5 section i)
- ❖ The friars in the London and Salford parishes have responsibility for the local Voluntary Aided schools both as Trustees and Governors.
- ❖ Some of the friars have a specialisation in spiritual direction, hospital chaplaincy and teaching.
- ❖ It would be seen as an integral part of our service to support the Order in its central administration and Servite Friars and the Church in the developing world. There is also a long tradition of helping other related charities both at home and abroad.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

- ❖ The Care of the sick and elderly friars who have spent a life-time in service of the Church, the Order and Society at large. (cf Trust Deed clause 5 sections vi & vii) During January and February our two eldest friars, aged 95 and 100, met a peaceful death. This closed the need for outside care support. A blessing during the lock-down.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Since its inception the Servite Order have operated according to a rule of Life, the Constitutions, and these have the approval of the Catholic Church and are in conformity with canon Law. It goes without saying these have been upgraded and amended periodically and the last time the Constitutions were amended was in September 2015. The local friars also have a Directory which adjusts the rules to local circumstances and in our case in line with UK charity law. The Directory was approved and updated in 2017.

The Province of the Isles has a leadership team consisting of the Prior Provincial and four Provincial Councillors. Each year there is a Provincial Chapter when all the friars (members of the Charity) meet to discuss policy and procedures. This can mandate the Provincial and his Council to implement proposals and directives. It can also take the form of in-service training. The Provincial Chapter approves of local by-laws known as the Directory. This document takes cognisance of Church Law and appropriate Civil law. Every fourth year a Provincial Chapter of Elections takes place, when elections and appointment to the various offices are effected. It is during this gathering that the AGM of the charity is held. Because of the pandemic the Provincial Chapter was postponed until 2021, as was the AGM. The Provincial Elect has also had to wait for confirmation in Office.

Between Provincial Chapters, the responsibility for the direction of the Province (the Charity) rests with the Provincial and his Council (cf Deed of Variation 21 Sep 1971). Where possible the Trustees are drawn from the Provincial Council. All trustees are members of the Order and they have a detailed knowledge of the work of the Charity and its structure; even so when appointed new trustees are reminded of the Charity Commission Guidance and are given a refresher course on the principal responsibilities of the charity its resources and aims and the relationship with our professional advisors; solicitors, auditors, stockbrokers and property advisers. After the election of the Present Provincial Council/ Trustees in June 2016 the members were given a copy of the *'Trustees Duties at a glance.'* Usually Provincial Council (Trustees) Meetings are held face-to-face but since March 2020 these have been held by digital means.

Risk Management

In line with the requirement of trustees the Charity has made an assessment of risk and identified the following areas:

Governance
Operational
Financial
Reputational
Laws, regulations, external and environment

Governance The Province of the Isles has twenty-two friars and their presence in England and Ireland is reported through to the three relevant civil authorities and registrations. Each year all the friars gather for a Provincial Chapter and this is when the AGM of the English Charity is held. All members continued to receive copies of the minutes.

Operational The responsibility for buildings such as the Priors is the direct responsibility of the Prior Provincial and the Provincial Council and their delegates; the local Priors. The well-being of the Parish churches and Parish properties are with the appointed parish team, together with their lay committees under the direction of the Parish Priest who is appointed by the Provincial Council. The worst possible interruption would be severe damage to one of the Churches. The safety net would be to use the nearby school halls on a temporary basis.

Financial The overall management of financial policy lies with the Provincial Finance Board who regulate the local centres of operation, the reserves policy is under review with professional advisers and records are kept of these meetings and conveyed to the Trustees at each of their meetings.

During 2020 after the first meeting in February these meetings were conducted via zoom. The income stream from the Parishes was badly affected and the income from one of the leases was suspended. Four out of seven of our staff were furloughed for several months.

During the height of the uncertainty when the churches were closed the brokers were asked to increase the cash holding on three of the Portfolios, as safety cover. In the event £20,000 was drawn down but re-invested at the end of the year as the position began to improve.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

A high priority is our *Pension and Welfare Cover*.

Although the dividends were down during the year the fund was increased by a generous legacy. The fund also had to cope with sick friars in nursing homes, and this increased the expenses by 62%.

There is a concern over the expiry of the lease on the 264 Frontage which has enabled the retirement Portfolio to increase by over 230% during the past eight years.

Laws, regulations, external and environment. This section looks at the effects of government policies, the consequences of non-compliance with laws and regulations. The Provincial Treasurer is a member of the committee of the Association of Provincial Bursars, which organises the annual conference, and is thus able to keep abreast of the developments in civil, charity and church law. The APB Conference for 2020 took place via Zoom but continued to disseminate useful information on our civil obligations.

Methods of holding personal information have been looked at afresh in the light of the GDPR legislation. Volunteers are being asked to sign a new form of acceptance.

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

Protection of Children and vulnerable Adults. Every trustee meeting would have a check on the procedures being followed in the friar's communities and among the parishioners and other lay helpers. During 2020 we engaged a professional organisation Taye Training to help us with ongoing oversight and training. The Trustees have agreed to join with the rest of the Catholic Church in the new arrangements being established in the light of the IICSA report.

THE PROVINCIAL AND COUNCIL (TRUSTEES)

Besides the regular Council meetings, the Prior Provincial together with the Provincial Secretary are responsible for communications both within the Province and with our Generalate in Rome as well as other Priors Provincial. On a day-to-day basis this is by way of emails and online newsletters.

English continues to be a much-used language through-out the Order and a variety of tasks involving translation work come to the Province. In February 2020 a friar living in Italy came to London for a month's course to improve his English. The London Community not only sponsored him and his course but had to extend the offer of hospitality through till July when he was at last free to return to Italy.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees

Fr Paul Addison Prior Provincial and Chair of the Trustees.

Fr Paul joined the Servite Order in August 1958. After studies he had two terms serving on the central administration in Rome. Fr Paul has been responsible for the education and formation of student friars. As part of this ministry he has given courses and lectures in Italy, the USA, France, India and Uganda. He had a first period as Prior Provincial (chair of the charity) in 1991-1997. During that time he also served on the Board of the Servite Houses (housing association) now known as Optivo. Since 2009, when he was re-elected to the Provincial Council, he has served as Provincial Secretary and Clerk to the Trustees. He served again as Provincial from May 2017 until March 2020

Fr Christopher O'Brien, Provincial Treasurer

Fr Christopher joined the Servite Order in 1965. In his early years he was engaged in teaching in both ordinary and special schools. From 1982-1996 he was engaged in educating Servites in Dublin, Oxford, Lesotho and Normandy in France. He has been a member of the Provincial Finance Council since 1980 but only assumed the Office of Provincial Treasurer at the creation of the New Province in the year 2000.

Since 2007 he has been a member of the General Council of Administration which sets the budget for the General Council. Besides financing the Generalate the Council oversees the administration of the Servite University in Rome; the Marianum.

Fr Patrick Ryall

Fr Patrick joined the Order in 1963. He spent 12 years in the London Parish 9 of them as Parish Priest. He has also served as a student master; 9 years in Oxford and 3 in Rome. In 1997 he again served as Parish Priest in London before serving as the first Prior Provincial of the newly formed Province of the Isles from 2000-2009. He also served on the board of Servite Houses now known as Optivo. In 2010 he was once more elected Prior and Parish Priest of the London Community.

Fr Vincent Coyne

Fr Vincent joined the Servite Order in September 1959. After upgrading his degree with a Certificate of Education, he taught at St Peter's High School, Manchester from 1973-1979. From 1985 -1991 he served as Prior Provincial and chair of the Trust. Since 1997 he has again be involved in Parish ministry and is at present Prior and Parish priest in the Salford Parish.

Fr Peter Conniffe

Fr Peter joined the Order in September 1957. He studied in Oxford and Rome before his ordination in 1965. In 1976 he was elected Prior Provincial (Chair of the Trust) and served in post for six years. He was also invited onto the Board of Servite Houses (now renamed Optivo) and served for 10 years as Chair of the Board. For his work in this regard he was awarded the M.B.E. in the New Year's Honours List of 1998. Since 1976 he's continued his involvement in parish ministry until his retirement in 2016. He has also played an important role as Chair of the Finance Board of the Province since 2001.

Fr Colm McGlynn (Elected chair in March 2020)

Fr Colm joined the Order in 1980. Colm has served in all parts of the Province, Dublin, the North of Ireland, Scotland and England and he has served as Parish Priest in Dublin and Dundee. He has also had experience working with the Order in the Philippines. Colm served for several terms on the Provincial Council. He was awarded a B A in Humanities from Dublin City University in 2005. He served as Assistant Provincial and then full Provincial after the elected Provincial made a slow recovery from heart surgery. He is at present Provincial-elect with his assumption of office delayed by the coronavirus pandemic.

Public benefit

In setting the charity's objectives, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. These requirements are addressed in this report.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Trustees' Annual 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 of the charity 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 those financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and reports) Regulations 2008 and with 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.

Activities, Specific Objectivities and Relevant Policies

In accordance with a long-standing tradition the Province has continued to contribute and support the international Servite Generalate based in Rome. During 2020 over £53,000 was sent through to Rome of which £25,000 was earmarked to support the Marianum, the Servite University in Rome. These sums are agreed and budgeted for at the General Council of Administration during the spring of each year, and then a full detailed report is given at the Council of Administration the following spring. The Treasurer of the Province is member of this General Council of Administration. The Council of Administration meeting for 2020 was held online.

The Benburb Library, Museum and Provincial Archive

This facility while existing within the Northern Ireland Trust (Order of Mary Servite Trust) caters for all three charitable trusts and so Provincial funds continue to offer support. In particular the London based trust sponsors the part-time librarian and archivist (£17,345) and helps pay down the outstanding capital costs (£30,700 in 2020) on the refurbished building.

Servite Missions

Our Servite Communities in England along with the support of the Parishes have continued to support other Servite friars working in more challenging parts of the world.

2020 saw our continued support for the student programme in the Philippines £25,036. At the end of the year the Filipino Provincial bursar gave a full report saying how the money was split three ways supporting the tuition fees of the Philosophy students, payment of the fees of the students studying at the Marianum in Rome and the last part towards the upkeep of the students in the student community.



The Filipino students studying online during the lock-down during 2020

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

We continued to support the friars in Mozambique who are offering support and a safe environment to the youth of Matola in an after school hours Project. Last year we donated £10,640.



The Social Movement of St Gabriel aims to teach and provide formative elements to a group of 80 children between 6 and 21 years of age.

We gave another £7,800 to the friars working in Zululand South Africa.

CAFOD the overseas aid charity appealed to for special support in the light of many parishes being unable to continue with their usual support. Our Charity contributed £3,000.

On the home front the London charity that helps the homeless Glass Door also made a special appeal, and though underfunded ourselves we contributed £6,000.

In similar vein we contributed £2,000 to the Medaille Trust for their work with trafficked immigrants.

Volunteers

Area	No of Volunteers	Hours Volunteered
Preparing and celebrating Services	7	3,520
Pastoral Planning, teaching/meetings study	9	3,260
Home visits of the sick	5	885
Administration	8	3465
One to one direction, guidance etc	6	575
Hospital visits and Care of the elderly	4	335
Communication	4	1150
School, Governors, teaching etc	3	180

Throughout the year the friars give their time and energy pursuing the goals of the Charity. They either receive no financial reward or else pay their earnings or stipends into the common fund.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Most of the friars are past retiring age but continue to help out and serve according to their ability and fitness. The friars have served the Charity for the whole of their adult life.

Some of the members are heavily involved in the work of administering the Charity and without their service the charity would not be able to function effectively or according to the norms of the Charity Commission.

If this service was valued at the rate of £200 a day this would amount to over £380,000 of service to the local community.

Both the London and Salford Parishes can boast a large group of volunteers who give their time and energy on a regular basis. Because of the pandemic this was severely altered in 2020. Choirs, altar ministers, flower arrangers were all tasks that were suspended. Instead we needed cleaners and stewards and in each parish we able to boast of a small generous groups of 20-30 who gave extra time and service when the churches re-opened in July 2020.

Our Lady of Dolours London Parish and St Marys Priory

For the first time in living memory the Church was not open to the public every day of the year.

The total lockdown meant the Church was closed for three and half months, from mid-March till the end of June.

As well as services being suspended two of the staff were furloughed. The parish hall, which is hired out during the weekdays to a children's charity that deals with learning difficulties, also had to suspend operations. This charity paid the first quarter rent and then defaulted on the remaining three. Because they had invested heavily in the refurbishment of the property over the previous two years the Trustees acceded to their request for a grace period. This was reviewed at the end of the year and because of the social importance of their work the Trustees have agreed to receiving only 50% of the rent until the first rent review in May 2022.

The lifeline for the charity has been the support and generosity of the parishioners contributing to the parish by standing order.

The attached parish School, Servite Primary (Voluntary Aided) had to lock-down in common with other schools across the country. Support continued through governors meetings all being conducted online. A much-reduced Church celebration was none-the-less conducted in July for the class moving onto Secondary Schools.

A limited amount of emergency chaplaincy cover was offered at the local Chelsea and Westminster hospital. On occasions it was necessary to give prayerful support to the relatives rather than actual contact with the patient, given the necessary covid restrictions.

Outreach to the housebound and self-isolating parishioners continued with visits and or telephone calls. The parish was instrumental in sourcing tablets for some of the house-bound so they could be present for church services online and on two occasions distributed food parcels.

The four self-help groups had to be suspended because of the cleaning restrictions.

The monthly service for cancer sufferers and their families was suspended for a few months but resumed again before the end of the year.

The regular pattern of volunteering was severely disrupted because of the lock-down but once the churches re-opened in July one or two stepped up to the mark and were present almost every day to help with the stewarding and cleaning that became necessary during and after each service or opening.

Once the church re-opened numbers were about half that of pre-pandemic but began to increase towards the end of the year with the hope from the vaccine roll-out. Part of the Christmas midnight mass service was held in the school playground so that all could participate in the singing of Christmas Carols.

Because of reduced foot fall and reduced income charitable donations were also reduced. The Glass Door charity that looks after the homeless in London made a special appeal because of increased costs necessitated by social distancing and the charity was able to donate £6,000 to this worthy cause.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Our Lady of Dolours, Salford and Servite Priory

Again the Salford Parish was forced to take the unprecedented step of closing the church for an extended period.

Likewise the two paid staff were furloughed from March till August.

Despite the covid restrictions the parish continued to give volunteer help and collection of foodstuff to assist in the Loaves and fishes programme organised by the diocese.

A loyal band of volunteers continued to keep a close eye on one or two of the more vulnerable members of the parish, both visiting the house to check on their well-being and bring in necessary supplies where appropriate.

One of them had to be moved to a care home a few weeks before he died. It was his legacy that boosted the income of the Provincial fund and prevented what would have been a noticeable drop in the income.

The Management of Property

The intensity of planning and negotiating associated with 2018 was much reduced and most of the work was internal to the Priors both in Salford and London; repair, updating and decorating in toilet and shower areas.

FINANCIAL REVIEW

Income in the year amounted to £919,347 (2019: £984,036). Expenditure decreased to £773,716 (2019: £880,288). With the lock-down caused by the Covid-19 measures ordinary income was down considerably and the trust would have been in deficit but for the generosity of a benefactor who died during the year. As mentioned elsewhere one of our rents was down by 75% and during the lockdown the weekly collections were adversely affected. There were some savings on the running costs but others such as insurance and audit costs were in line or above previous years.

In August 2019 the diocesan safeguarding officials asked three of the friars to step back from pastoral duties. Eventually it was revealed that it was two letters that implicated these friars suggesting they were accessories to a ring of child sexual abuse. This 'stand back' severely curtailed the work and service of the charity. Eventually in July 2020 the police determined that the letters were in fact forgeries and malicious. This malicious approach from an unknown source has involved the charity in several thousand pounds of unnecessary expense.

Reserves Policy

It could be said that the events of 2020 severely tested our reserves policy. During March and April the value of the shares dropped by over 20%. Because of the uncertainty of how things would progress the Brokers were asked to increase the cash holding on three of the funds to 10%. In the event it only became necessary to draw out £20,000 over and above the normal dividends and by the end of the year this extra draw down had been replaced.

The *Servite Student Trust Fund* is a restricted Fund invested through the generosity of two donors. The principal donor stipulated that the interest should be used for the education of Servite Students. It was a condition of the bequest that 40% should be in government stocks and 60% in equities and the dividends and income used exclusively to fund the education of Servite students. Since the fund's inception in 1998 it has distributed in excess of £250,000 for the education of Servite Students in the UK and around the world.

The *General Fund* is a contingency fund to underpin the central administration of the Charity and ensure continuity in the event of income variation. It is largely the result of some benefactors and fund raising in the early and middle part of the 20th century. It comprises 7.3% of total reserves and is seen as an important reserve as some of the friars grow older and income decreases. General funds stood at £734,022 at the year-end and is considered adequate for the charity's needs.

The *Retirement and Welfare Fund* continues to play a pivotal role in the charity's finances as two friars are now permanently in care homes in the North of Ireland. This fund received a much-needed boost from the generosity of a deceased parishioner. Over 16 years the support for each of the elderly has more than doubled to an average of £570 per month for each friar. This payment is made to the community in which the friar resides.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

The **Property Fund** was realised at the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair. In 2012 this fund stood at £442k and was run right back to £9k when buying back the 264 frontage. It is now being built up ready for the next realignment. At end of 2020 it had reached £214k and the interest has been used to pay off the debt on the Library Project.

The **St Mary's Priory Fund** is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

The **Church Restoration Fund** was set up as a separate charity to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Church, a grade II listed building. At beginning of 2016 it was set up as a Restricted fund within the main charity. By the end of 2020 it had reached £109k.

The **Special Projects Fund** This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities and good causes and so safeguards ordinary income streams.

Investment Strategy

The Trustees continue to work with Epworth I M and the Church Investment Group to monitor that their investments are in line with Christian teaching. The awareness and danger of climate change becomes evermore critical as we follow our stated policy:

The Finance Council are requested to look into the moral status and operating methods of the different companies to ascertain that they are broadly in line with our Servite and Christian ethos. Any dealing with armaments is seen as unacceptable as is trade in tobacco. Also unacceptable is any company or organisation that publishes or promotes pornography in any form. We are totally committed to the protection of human life from conception to death therefore, special care needs to be taken to protect human life, even in the womb. This should be borne in mind when investing in pharmaceuticals or medical research. It is also requested that a company's international record is monitored, especially where it has dealings with countries where UN recognised human rights are severely restricted. A failure in this area would be tantamount to condoning and cooperating in the oppression of the ordinary citizens and the common good. Note should also be taken of how a particular company is exploiting or depleting the resources of the planet. To do so recklessly would endanger the lives of present or future generations.

FUTURE PLANS

Order of Mary Servite Trust

This is a sister Trust, charity number; XN55092, which governs and reports on the activities of the Servite Friars in Northern Ireland. They are responsible for and house the Province's main library and archives. Between 2014 and 2018 it was refurbished with a National Lottery grant. The London based charity is committed to supporting the project and during 2020 the 1980 NI Charitable trust was dissolved and replaced with a new trust deed that is more in line with present guidance and requirements.

Fulham Road

In November 2020 a young Ugandan Servite priest and friar joined the community. He brings new energy and enthusiasm to the pastoral ministry as some of the restrictions are being lifted.

During October 2020 Carlo Acutis was beatified in Assisi, Italy. This is a step on the way to sainthood. Carlo was baptised in the London Servite Church in 1991. There are signs that our church is beginning to become a place of pilgrimage and its hoped to create a more permanent shrine during 2021.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Kersal

For the coming year, care for the poor is continuing to be developed. The Parish, through its groups is intensely involved in a Food for the People in Difficulties in the city of Salford.

The parish social team also collects foodstuffs which are distributed to the well-organised welfare groups called *Loaves and Fishes*, *Cornerstone* and *Revive*. Also sponsored and supported by the Parish is a new housing for the homeless initiative in Salford called Emmaus. These initiatives are in continual development.

The Parish is developing its strategy for promoting and integrating immigrants and newcomers, many being Roman Catholic, through the Parish School, activity groups, worship involvement and so forth.

Coping with Covid 19

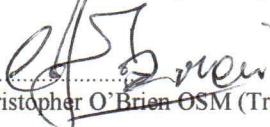
Slowly the restrictions of lock-down are being eased but it is not clear yet whether the old schedules will be resumed or whether new ones will have to be created to cope with a reduced footfall.

Auditors

A resolution proposing the re-appointment of haysmacintyre as auditors to the charity will be put to the annual general meeting.

Approved by the Trustees on **18 October** 2021 and signed on their behalf by:


.....
Fr Paul Addison OSM (Trustee)


.....
Fr Christopher O'Brien OSM (Trustee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

Opinion

We have audited the financial statements of The Servite Friars, Province of the Isles for the year ended 31 December 2020 which comprise the Balance Sheet, Statement of Financial Activities, Statement of cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the charity financial statements 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Canon law, employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Canon Law, the Charities Act 2011, The Statement of Recommended Practice for Charities (SORP 2015), FRS102 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' minutes
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 AUDITORS' REPORT TO THE TRUSTEES OF
THE SERVITE FRIARS, PROVINCE OF THE ISLES (continued)**

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 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 25 October 2021

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

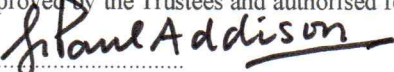
THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,

BALANCE SHEET

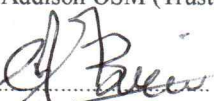
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	2	2,553,358	3,106,844
Investment Property	3	2,850,000	-
Investments	4	4,265,391	4,237,827
		<u>9,668,749</u>	<u>7,344,671</u>
CURRENT ASSETS			
Debtors	5	23,757	18,793
Cash at bank		442,223	399,333
		<u>465,980</u>	<u>418,126</u>
CREDITORS: Amounts falling due within one year	6	<u>(29,675)</u>	<u>(49,681)</u>
NET CURRENT ASSETS		<u>436,305</u>	<u>368,445</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,105,054	7,713,116
CREDITORS: Amounts falling due after more than one year	7	<u>(55,500)</u>	<u>(55,500)</u>
NET ASSETS		<u>10,049,554</u>	<u>7,657,616</u>
FUNDS			
Restricted:			
- Student Trust Fund		1,216,059	1,226,474
- Parish Fund		227,022	178,018
- Church Restoration Fund		109,089	102,826
		<u>1,552,170</u>	<u>1,507,318</u>
Unrestricted:			
Designated			
- Fixed Assets Fund		2,553,358	3,106,844
- Investment Property Fund		2,850,000	-
- Property Development Fund		214,707	200,206
- Retirement and Welfare Fund		1,517,809	1,445,478
- School Governors' Fund		104,349	107,371
- Special Projects Fund		180,645	167,246
- St Mary's Priory Fund		342,494	350,543
General Fund		734,022	772,610
	8	<u>10,049,554</u>	<u>7,657,616</u>

Approved by the Trustees and authorised for issue on



Fr Paul Addison OSM (Trustee)



Fr Christopher O'Brien OSM (Trustee)

18 October 2021 and signed on their behalf by.

The accompanying notes form part of these accounts.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Salaries and pensions		49,907	-	49,907	43,052
Donations and legacies		208,225	53,696	261,921	101,709
JRS Furlough receipts		13,628	-	13,628	-
<i>Other Trading Activities:</i>					
Rent and service charges		292,271	13,417	305,688	370,040
<i>Charitable activities:</i>					
Local communities and parishes		34,947	160,895	195,842	321,239
<i>Investments</i>	10	65,422	-	65,422	105,354
<i>Other income</i>		19,790	7,149	26,939	42,642
Total		<u>684,190</u>	<u>235,157</u>	<u>919,347</u>	<u>984,036</u>
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Communities, parishes and their ministry		587,563	186,153	773,716	880,288
Total	12	<u>587,563</u>	<u>186,153</u>	<u>773,716</u>	<u>880,288</u>
Net income before (losses)/gains on investments		96,627	49,004	145,631	103,748
Net (losses)/gains on investments	4	(126,034)	(4,152)	(130,186)	494,892
Gain on revaluation of investment property	3	<u>2,376,493</u>	-	<u>2,376,493</u>	-
Net income and net movement in funds		2,347,086	44,852	2,391,938	598,640
<i>Reconciliation of funds:</i>					
Fund Balances brought forward		<u>6,150,298</u>	<u>1,507,318</u>	<u>7,657,616</u>	<u>7,058,976</u>
Fund Balances carried forward		<u><u>8,497,384</u></u>	<u><u>1,552,170</u></u>	<u><u>10,049,554</u></u>	<u><u>7,657,616</u></u>

All the charity's activities over the two financial years above are derived from continuing activities. There are no other recognised gains and losses other than those included above. The accompanying notes form part of these accounts.

**THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES,
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows for operating activities:			
Net cash used in operating activities	15	(166,500)	(394,896)
Cash flow from investing activities:			
Dividends, interest and rent from investments		371,110	475,885
Proceeds from sale of investments		1,736,762	4,070,303
Purchase of investments		(1,894,512)	(4,123,577)
Purchase of fixed assets		(3,970)	(32,519)
Net cash provided by investing activities		<u>209,390</u>	<u>390,093</u>
Change in cash and cash equivalents in the year		42,890	(4,803)
Cash and cash equivalents at the beginning of the year	16	399,333	404,136
Cash and cash equivalents at the end of the year	16	<u>442,223</u>	<u>399,333</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) 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 estimating the economic useful life of tangible fixed assets.

(c) 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 one year from the date of approval of these accounts.

The Trustees of the charity 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 two accounting periods, the years ending 31 December 2021 and 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). This is particularly relevant following the coronavirus pandemic which began in Spring 2020.

(d) Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and subsequently valued at their fair value at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are carried at fair value. No depreciation is charged on investment properties.

(e) Tangible Fixed Assets

Land and buildings are shown at 10% of their insurance valuation plus additions since January 1999 at cost. Depreciation is provided evenly over the estimated useful lives of each asset.

Buildings - 2% per year
Motor vehicles - 25% per year

(f) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

(i) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) **Restricted Funds**

The restricted fund represents donations received with specific restrictions placed by the donors which have not yet been spent.

(k) **Designated Funds**

The designated funds represent amounts set aside by the Trustees to fulfil specific charitable objectives.

(l) **Income**

Income is included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Collections and donations are included in the accounts when received.

Members' salaries – there are no friars/members receiving salaries during 2019.

Rental income is stated gross of any fees deducted and is recorded on a receivable basis.

Investment income is credited to income when it is 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(m) **Expenditure**

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

2. FIXED ASSETS

Land and buildings are mainly in use by the Province and are not generally available for sale.

	Land and Buildings £	Motor Vehicles £	Total £
VALUATION/COST			
As at 1 January 2020	3,896,600	52,399	3,948,999
Additions	3,970	-	3,970
Transfer to Investment property (see note 3)	(612,389)	-	(612,389)
	<hr/>	<hr/>	<hr/>
As at 31 December 2020	3,288,181	52,399	3,340,580
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
As at 1 January 2020	806,589	35,566	842,155
Charge for the year	78,011	5,938	83,949
Depreciation transfer (see note 3)	(138,882)	-	(138,882)
	<hr/>	<hr/>	<hr/>
As at 31 December 2020	745,718	41,504	787,222
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
As at 31 December 2020	2,542,463	10,895	2,553,358
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
As at 31 December 2019	3,090,011	16,833	3,106,844
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. INVESTMENT PROPERTY

	2020 £
Valuation	
Amount transferred from freehold (see note 2)	473,507
Revaluation	2,376,493
	<hr/>
As at 31 December 2020	2,850,000
	<hr/> <hr/>

The part of the charity's premises at 262a Fulham Road (known as the 'T-Block') has been reclassified as an investment property as it is let out for commercial use. It was revalued at 31 December 2020 by Gerald Eve LLP, Chartered Surveyors at £2,850,000. This value has been reflected in the note above.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

4. INVESTMENTS

	Unrestricted £	Restricted £	2020 £	2019 £
Market Value as at 1 January 2020	2,887,135	1,350,692	4,237,827	3,689,661
Additions	1,381,647	512,865	1,894,512	4,123,577
Disposals	(1,237,746)	(499,016)	(1,736,762)	(4,070,303)
Net investment gains	(126,034)	(4,152)	(130,186)	494,892
	<u>2,905,002</u>	<u>1,360,389</u>	<u>4,265,391</u>	<u>4,237,827</u>
Market Value as at 31 December 2020	<u>2,905,002</u>	<u>1,360,389</u>	<u>4,265,391</u>	<u>4,237,827</u>
Cost as at 31 December 2020	<u>2,768,126</u>	<u>1,242,831</u>	<u>4,010,957</u>	<u>3,945,620</u>

Analysis of Investments

	2020 £	2019 £
Unit Trusts	4,178,065	4,131,150
Cash held as part of an investment portfolio	87,326	106,677
	<u>4,265,391</u>	<u>4,237,827</u>

5. DEBTORS

	2020 £	2019 £
Prepayments and accrued income	23,757	18,793
	<u>23,757</u>	<u>18,793</u>

6. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Other creditors	2,719	21,696
Accruals	15,900	17,243
VAT due	11,056	10,624
PAYE due	-	118
	<u>29,675</u>	<u>49,681</u>

7. CREDITORS: Amounts falling due after more than one year

	2020 £	2019 £
Rent deposit	<u>55,500</u>	<u>55,500</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

8. FUNDS - 2020

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2020 £
Restricted					
- Students Trust Fund	1,226,474	-	-	(10,415)	1,216,059
- Parish Fund	178,018	235,157	(186,153)	-	227,022
- Church Restoration Fund	102,826	-	-	6,263	109,089
	<u>1,507,318</u>	<u>235,157</u>	<u>(186,153)</u>	<u>(4,152)</u>	<u>1,552,170</u>
Designated					
- Fixed Assets Fund	3,106,844	-	(79,979)	(473,507)	2,553,358
- Investment Property Fund	-	-	-	2,850,000	2,850,000
- Property & Development Fund	200,206	-	-	14,501	214,707
- Retirement and Welfare Fund	1,445,478	-	-	72,331	1,517,809
- School Governors' Fund	107,371	-	-	(3,022)	104,349
- Special Projects Fund	167,246	-	-	13,399	180,645
- St Mary's Priory Fund	350,543	-	-	(8,049)	342,494
	<u>5,377,688</u>	<u>-</u>	<u>(79,979)</u>	<u>2,465,653</u>	<u>7,763,362</u>
General Fund	<u>772,610</u>	<u>684,190</u>	<u>(507,584)</u>	<u>(215,194)</u>	<u>734,022</u>
	<u><u>7,657,616</u></u>	<u><u>919,347</u></u>	<u><u>(773,716)</u></u>	<u><u>2,246,307</u></u>	<u><u>10,049,554</u></u>

8. FUNDS – 2019

The restricted and unrestricted funds of the charity (which include designated and general funds) are set out below:

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers & gains on Investments £	Balance at 31 December 2019 £
Restricted					
- Students Trust Fund	1,108,624	-	-	118,210	1,226,474
- Parish Fund	116,860	370,737	(309,579)	-	178,018
- Church Restoration Fund	79,494	-	-	23,332	102,826
	<u>1,304,618</u>	<u>370,737</u>	<u>(309,579)</u>	<u>141,542</u>	<u>1,507,318</u>
Designated					
- Fixed Assets Fund	3,158,195	-	(83,870)	32,519	3,106,844
- Property & Development Fund	176,604	-	-	23,602	200,206
- Retirement and Welfare Fund	1,274,817	-	-	170,661	1,445,478
- School Governors' Fund	97,235	-	-	10,136	107,371
- Special Projects Fund	149,639	-	-	17,607	167,246
- St Mary's Priory Fund	305,124	-	-	45,419	350,543
	<u>5,161,614</u>	<u>-</u>	<u>(83,870)</u>	<u>299,944</u>	<u>5,377,688</u>
General Fund	<u>592,744</u>	<u>613,299</u>	<u>(486,839)</u>	<u>53,406</u>	<u>772,610</u>
	<u><u>7,058,976</u></u>	<u><u>984,036</u></u>	<u><u>(880,288)</u></u>	<u><u>494,892</u></u>	<u><u>7,657,616</u></u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue)

FOR THE YEAR ENDED 31 DECEMBER 2020

The *Servite Students Trust Fund* represents monies received for the training and education of Friars. This balance is held as part of the investment portfolio.

The *Parish Fund* represents monies raised by the Parish worshipping community and can only be used in the local parish to meet the needs of that community.

The *Church Restoration Fund* represents monies set aside to raise funds for the repair and maintenance of the fabric of Our Lady of Dolours Servite Church, London .

The *Fixed Assets Fund* is maintained at book value and represents the net investment in fixed assets.

The *Investment Property Fund* was realised on the sale of one of the Charity's properties and the fund is used to maintain the other properties in good repair.

The *Retirement and Welfare Fund* was begun in 1993 to fund Servite Friars in their retirement. Most friars receive no state pension or less than the basic pension despite having spent all their adult life in service of the public. In 1999 the fund began paying a modest payment to all communities that have senior members among their number.

The *Special Projects Fund*. This fund was accumulated from a percentage of recent gifts and bequests. The fund is used to respond to appeals for aid from Servites in other parts of the world or other related charities.

The *St Mary's Priory Fund* is a contingency for the oldest and most complex of the Charity's properties at Fulham Road in London.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2020

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,216,059	-	-	1,216,059
- Parish Fund	-	-	227,022	-	227,022
- Church Restoration Fund	-	109,089	-	-	109,089
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	2,553,358	-	-	-	2,553,358
- Investment Property Fund	-	2,850,000	-	-	2,850,000
- Property & Development Fund	-	214,707	-	-	214,707
- Retirement and Welfare Fund	-	1,517,809	-	-	1,517,809
- School Governors' Fund	-	104,349	-	-	104,349
- Special Projects Fund	-	180,645	-	-	180,645
- St Mary's Priory Fund	-	342,494	-	-	342,494
General	-	580,239	209,283	(55,500)	734,022
	<u>2,553,358</u>	<u>7,115,391</u>	<u>436,305</u>	<u>(55,500)</u>	<u>10,049,554</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continue

FOR THE YEAR ENDED 31 DECEMBER 2020

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2019

	Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One year £	Total £
Restricted Fund					
- Student Trust Fund	-	1,226,474	-	-	1,226,474
- Parish Fund	-	-	178,018	-	178,018
- Church Restoration Fund	-	102,826	-	-	102,826
Servite Friars Fund					
Designated:					
- Fixed Assets Fund	3,106,844	-	-	-	3,106,844
- Property & Development Fund	-	200,206	-	-	200,206
- Retirement and Welfare Fund	-	1,445,478	-	-	1,445,478
- School Governors' Fund	-	107,371	-	-	107,371
- Special Projects Fund	-	167,246	-	-	167,246
- St Mary's Priory Fund	-	350,543	-	-	350,543
General	-	637,683	190,427	(55,500)	772,610
	<u>3,106,844</u>	<u>4,237,827</u>	<u>368,445</u>	<u>(55,500)</u>	<u>7,657,616</u>

10. INVESTMENT INCOME

	2020 £	2019 £
Income from UK quoted investments	64,214	103,364
Bank interest	1,208	1,990
	<u>65,422</u>	<u>105,354</u>

11. TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

The trustees of the Charity are also members of the Province and as such have taken vows of poverty under which they have renounced all personal rights to income and capital. The Charity provides for the essential needs of all members of the Congregation within the Province. The living costs of the five trustees are therefore borne by the Charity. During 2020 because of the pandemic, P M O'Brien, the brother of a trustee, Father Christopher O'Brien, was laid off for six months on unpaid leave (April – September). Accordingly he was paid £1,661 (2019: £3,900) plus deductions of £398 to HMRC in tax. There were no amounts owing or owed at the year-end.

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

12. ANALYSIS OF EXPENDITURE - 2020

	Staff Costs £	Donations £	Other £	2020 £	2019 £
<i>Charitable activities:</i>					
Communities, Parishes and their ministry:					
Communities:					
- Kersal	4,950	1,500	54,724	61,174	47,135
- London	25,534	9,076	90,369	124,979	77,488
Parishes:					
- Kersal	5,304	4,270	13,213	22,787	49,027
- Our Lady of Dolours	27,527	12,565	33,731	73,823	252,330
Province	23,577	110,039	357,337	490,953	454,308
	<u>86,892</u>	<u>137,450</u>	<u>549,374</u>	<u>773,716</u>	<u>880,288</u>

All costs are directly attributable to the activities under which they have been analysed.

Included in the above are the following:

Fees paid to the auditors:

- Auditors' remuneration	9,800	9,800
- Other fees	4,960	4,960
Depreciation	83,949	83,870
Donations	<u>137,450</u>	<u>145,681</u>

ANALYSIS OF EXPENDITURE - 2019

	Staff Costs £	Donations £	Other £	2019 £
<i>Charitable activities:</i>				
Communities, Parishes and their ministry:				
Communities:				
- Kersal	7,117	840	39,178	47,135
- London	25,500	3,354	48,634	77,488
Parishes:				
- Kersal	7,917	7,909	33,201	49,027
- Our Lady of Dolours	48,329	18,945	185,056	252,330
Province	26,894	114,633	312,781	454,308
	<u>115,757</u>	<u>145,681</u>	<u>618,850</u>	<u>880,288</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES**NOTES TO ACCOUNTS (Continued)****FOR THE YEAR ENDED 31 DECEMBER 2020****13. STAFF COSTS**

	2020	2019
	£	£
Gross salaries	81,890	111,102
Employer's NI	5,002	4,655
	<u>86,892</u>	<u>115,757</u>

No trustees (who are the charities key management personnel) received remuneration for their services during the current or prior year. No trustees received any reimbursed expenses during the current or prior year.

At the beginning of 2020 there was 1 full time and 7 part time employees (2019 – 1 full time and 9 part time employees) the equivalent of 3.6 (2019: 4.9) full time. One had to work from home for several weeks and two were laid off without pay but by the end of the year all were back working on their agreed hours.

14. CUSTODIANSHIP

At the beginning of 2020 the BlackRock Investment was valued at £185,220 and by 31 December it was £198,318. We continue to administer this fund on behalf of our related charity in the North of Ireland Order of Mary Servite Trust (XN55092).

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FOR OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the year as per the Statement of Financial Activities	2,391,938	598,640
Adjustments for:		
Depreciation charges	83,949	83,870
Gain on revaluation of investment property	(2,376,493)	-
Loss/(gains) on investments	130,186	(494,892)
Dividends, interest and rents from investments	(371,110)	(475,885)
Increase in debtors	(4,964)	(3,090)
Decrease in creditors	(20,006)	(103,538)
	<u>(166,500)</u>	<u>(394,896)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Bank accounts	<u>442,223</u>	<u>399,333</u>

THE TRUSTEES OF THE SERVITE FRIARS, PROVINCE OF THE ISLES

NOTES TO ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

17. STATEMENT OF FINANCIAL ACTIVITIES 2019	Unrestricted Funds £	Restricted Funds £	2019 £
INCOME FROM:			
<i>Donations and legacies:</i>			
Salaries and pensions	43,052	-	43,052
Donations and legacies	52,653	49,056	101,709
<i>Other Trading Activities:</i>			
Rental income	308,021	62,019	370,040
<i>Charitable activities:</i>			
Local communities and parishes	71,358	249,881	321,239
<i>Investments</i>			
	105,354	-	105,354
<i>Other</i>	32,861	9,781	42,642
Total	613,299	370,737	984,036
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Communities, parishes and their ministry	570,709	309,579	880,288
Total	570,709	309,579	880,288
Net income before investment losses	42,590	61,158	103,748
Net gains on investments	353,350	141,542	494,892
Net income and net movement in funds	395,940	202,700	598,640
<i>Reconciliation of funds:</i>			
Fund Balances brought forward	5,754,358	1,304,618	7,058,976
Fund Balances carried forward	6,150,298	1,507,318	7,657,616

**THE SERVITE FRIARS, PROVINCE OF THE ISLES
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 DECEMBER 2020**

	Ordinary Receipts £	Ordinary Payments (including Subsidiaries) £	2020 £	2019 £
COMMUNITY				
Kersal	84,527	61,174	23,353	(11,599)
London	150,630	175,928	(25,298)	50,915
Parish				
Kersal	46,248	42,787	3,461	23,341
Our Lady of Dolours	88,770	73,823	14,947	48,296
Surplus of Communities, Parishes and others	<u>370,175</u>	<u>353,712</u>	<u>16,463</u>	<u>110,953</u>
PROVINCIAL FUND				
Ordinary Receipts				
Dividends and interest			66,416	89,982
Donations			206,654	9,052
Salaries & pensions			1,298	2,596
Sundry receipts			10,000	39,705
Rental income			281,938	246,600
Provincial contribution			15,996	70,500
Transfers			20,000	60,321
HMRC JRS Grants			13,328	-
			<u>615,630</u>	<u>518,756</u>
ORDINARY PAYMENTS				
Studies and sabbaticals			10,106	29,448
Travel and car expenses			1,980	22,755
Office costs			1,463	3,530
Chapter			540	9,840
Wages			23,577	41,144
Professional fees			55,121	38,710
General			9,575	9,650
Donations			114,017	114,633
Bank charges and interest			3,597	3,617
Repairs and maintenance			84	8,442
Curia			54,665	54,000
Insurance			73,155	69,800
Depreciation			83,949	83,870
Transfers			-	2,928
Development			15,000	31,000
Healthcare			28,760	2,594
R&W Pension			10,873	-
			<u>486,462</u>	<u>525,961</u>
Surplus of Provincial Fund			<u>129,168</u>	<u>(7,205)</u>
Surplus before investment gains			145,631	103,748
Increase/(decrease) in market value of investments			(130,186)	494,892
Revaluation surplus			2,376,493	-
Surplus for the year			<u>2,391,938</u>	<u>598,640</u>
Fund balances brought forward			7,657,616	7,058,976
Fund balances carried forward			<u>10,049,554</u>	<u>7,657,616</u>

This page does not form part of the audited accounts