

**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 Pories. 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

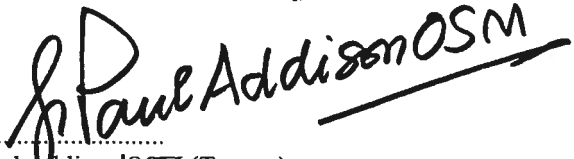
The choir which animates the main 11 o'clock Mass each Sunday is planning a short tour to sing at two Marian shrines during 2024 one in France and the other in Spain.

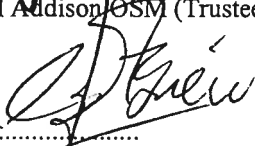
The Blessed Carlo Society aims at involving the youth of the parish, and 2024 should see the arrangement of a visit to an English shrine, that of Our Lady of Walsingham. If this is successful it is hoped that something more ambitious will be arranged for 2025.

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)		<u>7,649,210</u>	<u>1,584,545</u>	<u>9,233,755</u>	<u>10,642,573</u>
Fund Balances carried forward		<u>8,156,127</u>	<u>1,331,514</u>	<u>9,487,641</u>	<u>9,233,755</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	<u>(141,239)</u>	<u>(600,907)</u>
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		<u>-</u>	<u>(10,099)</u>
Net cash provided by investing activities		<u><u>68,364</u></u>	<u><u>566,085</u></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	<u>325,435</u>	<u>360,257</u>
Cash and cash equivalents at the end of the year		<u><u>252,560</u></u>	<u><u>325,435</u></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	-	-	-	-
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
As at 31 December 2023	945,394	1,785	54,586	1,001,765
NET BOOK VALUE				
As at 31 December 2023	2,382,538	3,314	2,813	2,388,665
As at 31 December 2022	2,449,097	3,824	3,750	2,456,671

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)
Market Value as at 31 December 2023	<u>3,609,415</u>	<u>1,236,998</u>	<u>4,846,413</u>	<u>4,479,617</u>
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
	<u>2,388,665</u>	<u>6,846,413</u>	<u>311,945</u>	<u>(59,382)</u>	<u>9,487,641</u>
	=====	=====	=====	=====	=====

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>

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
Net cash used in operating activities	<u>(141,239)</u>	<u>(600,907)</u>

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Bank accounts	<u>252,560</u>	<u>325,435</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			<u>-</u>	<u>(850,000)</u>
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