

**THE ORDER OF FRIARS MINOR CONVENTUAL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**



# THE ORDER OF FRIARS MINOR CONVENTUAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Rev W Martin - Custos	
	Rev R Doyle - Bursar	
	Rev G Hanley	(Appointed 16 August 2023)
	Rev C Edwards	(Appointed 16 August 2023)
<b>Definitors</b>	Rev G Toman	(Resigned September 2021)
	Rev C Edwards	(Appointed July 2021)
	Rev K Hanley	(Appointed 19 January 2022)
<b>Charity number</b>	249881	
<b>Principal address</b>	Greyfriars St Patrick's Friary 26 Cornwall Road London SE1 8TW	
<b>Auditor</b>	Mitchell Charlesworth (Audit) Limited Suite 5.1 Tempest 12 Tithebarn Street Liverpool L2 2DT	
<b>Bankers</b>	National Westminster Bank Plc P.O. Box 7929 91 Westminster Bridge Road SE1 7ZB	
<b>Solicitors</b>	Pothecary Witham Weld 70 St George's Square London SW1V 3RD	
<b>Investment advisors</b>	Charles Stanley & Company Limited 55 Bishopsgate London EC2N 3AS	
	Davy Global Fund Management Limited Dashwood House London EC2M 1QS	

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# THE ORDER OF FRIARS MINOR CONVENTUAL

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# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

##### **Introduction**

The Order of Friars Minor was founded by St Francis of Assisi in 1209. It has maintained its essential character through the centuries. Friars live in communities, observing the Gospel of Our Lord Jesus Christ, under vows of poverty, celibate chastity and obedience, in accordance with the 'Rule of 1223' written by the Founder. The Minister General's headquarters are in Rome where he is assisted by a General Definitory (or Council), governing the Order Worldwide. The Order is divided into provinces and custodies of which the Provincial Custody of Great Britain and Ireland ("English Province") is one.

The Provincial Custody of Great Britain and Ireland is known as The Order of Friars Minor Conventual under the patronage of Blessed Agnellus of Pisa. (*Ordinis Fratrum Minorum Conventualium, Beati Agnelli a Pisis*). In public documents the Provincial Custody is known by the title Order of Friars Minor Conventual (OFM Conv.).

#### **Objectives and activities**

The principle object of the charity is concerned with the training of postulates, novices and student friars of The Order of Friars Minor Conventual and the advancement of the religious and other charitable works carried out by or under the direction of The Order. All of its activities are charitable and in accordance with the Trust Deed.

There have been no changes in the objectives since the last annual report.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance on the advancement of religion. The majority of the Friars are working in parishes that are part of other charities and so achieve the public benefit requirement indirectly.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### Achievements and performance

##### (a) The previous-year

###### Goals for 2021

###### Evaluation of 2021

To care for members of the Order enabling them to continue to provide service to the public for as long as they are able in all the areas listed above.	Ongoing. As the age profile of the community increases so too does the need to provide increasing and increasingly expensive care for the sick and elderly Friars. Further investment in this area is required to meet future needs.
To stabilise the Formation Programme and its location.	Achieved . The location of our Programme has been established at Oxford and a five year lease has been agreed upon with the owners of the property that we are currently renting. The lease expires in 2025
To evaluate the financial operations, record-keeping and physical structures of the charity, standardising the processes of evaluation, preservation and maintenance.	Ongoing. In consultation with various professional services needs have been ascertained. A need to have a more timely submission of financial reports has been identified. To this end a layperson has been hired recently to help the Bursar with the day to day running of the Custody
To re-evaluate the fund-raising activities of the charity.	Achieved and Ongoing. The Trustees have engaged professional assistance and invested in various funds and equities, creating low risk portfolios. The objective is to secure an annual return which would contribute to the running costs of the Custody
Continue to seek out educational opportunities and programs that will best prepare members to offer updated service in the various areas in which the Charity is involved	Achieved and Ongoing. A strong academic program has been secured in Oxford as well as seeking out programs of higher learning, i.e. collaboration with Durham University. A student friar from abroad is also currently studying at Oxford.

##### (b) The new four-year and long-term plan

At the ordinary Custodial Chapter of 2017 the Friars reviewed the state of the ministries and life of the Friars was discussed, examining the past and looking forward for the next five years. A 5-year plan was drawn up with the friars intending to place a greater emphasis on:

1. Fraternal Life
2. Formation of the Friars
3. Ministries
4. Finances
5. Ministry Advancement

This plan has been superseded by a new revised 4-year plan which was voted upon at our Chapter meeting in 2022. and which is considered the same as the long-term plan suggested by the Charities Regulatory Authority. The plan will be evaluated mid-term as requested. The text of the plan is as follows:

At the foundation of Franciscan spirituality is the classical Threefold Way of purgation, illumination, and unity. Our Seraphic Father, Saint Francis, wrote of following in the footprints of Jesus Christ through being "inwardly cleansed, interiorly enlightened, and enflamed by the fire of the Holy Spirit." Together as one brotherhood, we, the members of the Provincial Custody of Blessed Agnellus of Pisa, will pursue this threefold Franciscan spiritual way throughout the course of this quadrennium. Together, we will **sort, vision, and build** the common elements of our life: **organizational, spiritual, and fraternal**. The elements contained within this Four-Year Plan are presented as each being part of a set of concrete steps toward becoming a Province.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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<b>SORT</b> ORGANIZATIONAL Establish routine policies, procedures, and protocols focusing on matters of , finances, communication, and safeguarding.	<b>VISION</b> ORGANIZATIONAL The Custos, and his Definitory, will make regular fraternal visits to hear the friars	<b>BUILD</b> ORGANIZATIONAL Through a strategic review of human, financial, and ministerial resources, take concrete steps toward becoming a province
<b>SPIRITUAL</b> Gather for monthly Friary Chapter, including a well planned spiritual portion.	<b>SPIRITUAL</b> Plan common retreats and regional Days of Recollection.	<b>SPIRITUAL</b> Commit to each friary developing and observing, a seven-day horarium
<b>FRATERNAL</b> Foster a positive relationship with the mother province.	<b>FRATERNAL</b> Celebrate bi-annual regional gatherings, with a major celebration on the 10th Sept. 2024	<b>FRATERNAL</b> Create coordinated strategies for: vocation promotion, mentorship in ministry, and continuing formation.

### **The ongoing impact of the Covid pandemic on the charity**

The pandemic has had a significant impact on the running of the charity over the past number of years. Our charity has experienced a significant reduction in the collections taken up at our churches, in some instances by as much as a 50%. Many of the volunteers who used to work in our parishes have also stopped coming resulting in an increased work load for the friars. Some of these volunteers used to help our elderly friars with the finances. The result has been a delay in the compiling and the submission of some of the friary financial reports. Due to restrictions in travel the bursar was unable to visit all the friaries during the year which also contributed to this delay. Our investment portfolio has been adversely affect with the large sell off in stocks which occurred at the start of the pandemic. The stock market bounced back in 2021 but has been under downward pressure since, due to inflation trigged by the financial policies pursued during the pandemic.

### **Investment performance**

The Trustees have considered the most appropriate policy for investing funds and have found that specialised fixed asset investments and equities best meet their requirement to generate both income and capital growth. The rates of return on our various investments for 2021 were as follows: Fixed assets - 3.15%, Charles Stanley Portfolio - 2.86% dividend yield, 8.66% capital increase, Davy Portfolio - 12.34% capital increase. Therefore the return on investments for the Charles Stanley portfolio out-performed expectations, while the portfolio recently established with Davy in 2019, has also out-performed expectations. The trustees will continue to compare the performance of each portfolio in 2021 and seek advice on adjustments if necessary. The fixed assets investment return of 3.15% was considered to be a good rate of return in light of the current economic conditions.

### **Financial review**

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

There is a deficit of £295,818 (2020: deficit £312,511) before investment gains of £394,779 (2020: £142,431) and legacies of £233,931 (2020: £nil).

As at 31 December 2021, the charity had reserves of £6,701,924 (2020: £6,344,812). Included within these reserves are £30,683 (2020: £30,140) of restricted funds (see note 24) and £4,905,763 (2020: £4,526,276) of designated funds (see note 25). Included within unrestricted funds are fixed assets totalling £1,660,669 (2020: £1,508,527). These funds can only be realised upon sale of these assets. The charity had a surplus on free reserves of £96,635 as at 31 December 2021 (2020: surplus of £220,808).

### **Reserves policy**

The charity aims to maintain sufficient unrestricted funds (free reserves) to permit it to continue for a three to six month period should income cease which would permit the Trustees to put The Order's affairs in to a safe situation.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Risk Management**

The Trustees are satisfied that systems are in place to mitigate exposure to risks. However, the Trustees continue on an ongoing basis to assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity both for Curial operations and for the individual ministries.

### **Safeguarding of Children and Vulnerable Adults**

The Order of Friars Minor Conventual in Great Britain and Ireland is committed to upholding a duty of care towards minors and vulnerable adults and to safeguarding the rights and dignity of all people without prejudice. Furthermore, the Friars will implement the procedures and guidelines established by both Civil and Ecclesial authorities in the respective jurisdictions. They also follow the handbook "*Policies for Ministry with Minors and Vulnerable Adults*" which has been mandated for all English language jurisdictions of the Conventual Franciscan Order. In the past year, a qualified safeguarding officer, who is not a member of the Order has been employed to assist us.

### **Plans for future periods**

It is the aim of the charity to continue to undertake the work necessary to train future postulates and novices in the Franciscan way of life in order that The Order of Friars Minor Conventual may continue.

### **Structure, governance and management**

#### **Governance**

The charity was established by a charitable trust deed dated 12 October 1966 as amended by the Scheme on the 6 March 1970 and the Scheme on the 28 September 2000.

The Provincial Custody is administered by a governing body, known as the Definitory, consisting of a Provincial Custos, and four other friars, elected by all the members at their quadrennial chapter. Three of the Definitors (or members of the Definitory) are also the trustees of the charity.

The Definitory assigns friars to the various friaries and parishes served by the Franciscans and appoints officers needed for the administration of the whole Province. Each friary has a Guardian, elected at the quadrennial chapter, who has responsibility for the friars in his community. The running of each friary is discussed regularly by the whole community.

As all trustees are members of the Order they have a detailed knowledge of the work of the charity and of its structure.

The trustees who served during the year and up to the date of signature of the financial statements were:

Rev C Budău - Chair (Custos)	(Resigned 16 August 2023)
Rev J Pawley	(Resigned 31 July 2021)
Rev W Martin - Custos	
Rev R Doyle - Bursar	
Rev D Dawidowski	(Resigned 16 August 2023)
Rev C I Budau	(Appointed 16 August 2023 and resigned 14 October 2024)
Rev G Hanley	(Appointed 16 August 2023)
Rev C Edwards	(Appointed 16 August 2023)

# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 DECEMBER 2021*

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Brief biographical details on each of the trustees who served during the year is given below:

#### **Reverend Ciprian Budău OFM Conv**

Father Ciprian Budău has been a member of the Order since 2001. After his initial formation he has been involved in pastoral ministry in Ireland (Fairview and Wexford). He was the Guardian of the Friary in Wexford and has been a Definitor since 2013. He was elected as the Provincial Custos at the Chapter meetings in September 2017. He resigned as trustee on 16 August 2023.

#### **Reverend Jesmond Pawley OFM Conv**

Father Jesmond Pawley has been a member of the Order since 1983. After having completed his initial formation and his philosophic-theological studies he continued to matriculate towards a degree in Canon Law. He presently serves as the Ecclesiastical Judge in the Archdiocese of Southwark and has been a Definitor since 2013, when he was also elected to be the Vicar-Custos of the Jurisdiction. He was re-elected as a Definitor at the Chapter meetings in September 2017. He resigned as trustee on 31 July 2021.

#### **Reverend Wayne Martin OFM Conv**

Father Wayne Martin is the Prefect of Formation in Oxford. He was appointed as a Trustee in September 2018 and took over as Custos when Father Ciprian Budău resigned.

#### **Reverend Rory Doyle OFM Conv**

Father Rory Doyle has been a member of the Order since 2013. After his initial formation he has been involved in pastoral ministry in Fairview (Dublin). He is presently the Guardian of the Friary in London and also the Parish Priest there. He was appointed as Bursar in September 2017.

#### **Reverend Dariusz Dawidowski OFM Conv**

Father Dariusz Dawidowski is currently the Guardian of the Friary of St. Clare's in Blackley, Manchester and is also the Parish Priest. He was appointed as a Definitor at the Chapter meetings in September 2017. He resigned as trustee on 16 August 2023.

#### **Reverend Colin Edwards OFM Conv**

Father Colin Edwards is a member of the Order since 2015. He was appointed as a Definitor in July 2021 and trustee on 16 August 2023.

#### **Structure and management**

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet bi-monthly to review developments with regard to the charity and its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including property consultants, investment managers, solicitors and accountants. The day to day management of the charity's activities, and the implementation of policies, is delegated to the appropriate members of the Order (Guardians of Friaries or Directors of Apostolates). Several members of the Charity are involved with activities of other Charities and thus report to the governing bodies of those institutions (e.g., Friars ministering in parishes which are associated to Roman Catholic Dioceses).

Financial decisions are overseen by the trustees.

As of 31 December 2021, the Custody of Great Britain and Ireland comprises of 34 Friars in Solemn Profession, 9 of whom reside in the Republic of Ireland, 24 in Britain and 1 in Italy. In addition, there are 2 Temporarily Professed Student-Friars and 1 friar from another community looking to join our Order. Canonically established Friaries can be found in Liverpool, London, Oxford, and two in the Greater Manchester area (Blackley and Barton). In addition Friars work and reside in Walsingham, Rye (East Sussex), and Cambridge. The friaries in Ireland are in Dublin and Wexford.



# THE ORDER OF FRIARS MINOR CONVENTUAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Blackley (Manchester), Liverpool, London, and Rye exercise parochial responsibilities in collaboration with the bishops of the dioceses concerned. Barton (Manchester) is the centre of the printing apostolate and shrine church; Oxford is the main formation house, caring for those men in formation, and the two Friars living in Cambridge and Canterbury are involved in the education ministries. The friars in Walsingham help out at the national shrine under the supervision of the rector of the Shrine, who is appointed by the local Bishop.

Each canonically-established community has a local Guardian elected at the quadrennial General Assembly (Custodial Chapter) of the Friars. The local Guardian is responsible for both the needs and the care of the friars in his community according to the mandate received at the quadrennial General Assembly and as moderated by the Provincial Custos and his Definitory (the Trustees).

### **Working with other organisations**

The friars in the six parishes served by the Provincial Custody work very closely with the bishops administering the dioceses within which the parishes are situated. That will include membership of the local deanery and helping out in neighbouring parishes where possible. In addition, two of the Communities have a primary school in the parish and there is close connection with these schools as well as secondary schools serving the parishes of the friars. The friars are also engaged in working with statutory bodies, other Christian Churches, other faith communities, and other voluntary groups.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

The trustees meet at regular intervals during the year to consider the management of the charity.

### **Serious Incident Report**


There were no serious incidents reported in 2021.

Since the year end, the charity was in receipt of a claim arising from an historical incident which has been settled in November 2024 and the claim of £205,000 has been paid.

The trustees' report was approved by the Board of Trustees.



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Rev W Martin - Custos  
Trustee



.....  
Rev R Doyle - Bursar  
Trustee

Date: 20/11/2024 .....

# **THE ORDER OF FRIARS MINOR CONVENTUAL**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

# THE ORDER OF FRIARS MINOR CONVENTUAL

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE ORDER OF FRIARS MINOR CONVENTUAL

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#### Opinion

We have audited the financial statements of The Order of Friars Minor Conventual (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

# THE ORDER OF FRIARS MINOR CONVENTUAL

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE ORDER OF FRIARS MINOR CONVENTUAL

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE ORDER OF FRIARS MINOR CONVENTUAL

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

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

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited

**Mitchell Charlesworth (Audit) Limited**

20 November 2024

**Accountants  
Statutory Auditor**

Suite 5.1  
Tempest  
12 Tithebarn Street  
Liverpool  
L2 2DT

Mitchell Charlesworth (Audit) Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

### Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
Notes							
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	273,108	23,887	-	-	296,995	60,862
Charitable activities	4	316,757	-	17,239	-	333,996	242,911
Investments	5	64,324	84,416	-	2,734	151,474	148,617
Other income	6	56,432	-	-	-	56,432	5,729
<b>Total income and endowments</b>		<b>710,621</b>	<b>108,303</b>	<b>17,239</b>	<b>2,734</b>	<b>838,897</b>	<b>458,119</b>
<b><u>Expenditure on:</u></b>							
Raising funds	7	39,458	18,206	-	659	58,323	75,978
Charitable activities	8	825,652	113	16,696	-	842,461	694,652
<b>Total expenditure</b>		<b>865,110</b>	<b>18,319</b>	<b>16,696</b>	<b>659</b>	<b>900,784</b>	<b>770,630</b>
Net gains/(losses) on investments	13	111,129	275,427	-	8,223	394,779	142,431
<b>Net (outgoing)/incoming</b>		<b>(43,360)</b>	<b>365,411</b>	<b>543</b>	<b>10,298</b>	<b>332,892</b>	<b>(170,080)</b>
<b>Other recognised gains and losses</b>							
Other gains or losses	14	10,144	14,076	-	-	24,220	(60,751)
<b>Net movement in funds</b>		<b>(33,216)</b>	<b>379,487</b>	<b>543</b>	<b>10,298</b>	<b>357,112</b>	<b>(230,831)</b>
Fund balances at 1 January 2021		1,729,335	4,526,276	30,140	59,061	6,344,812	6,575,643
<b>Fund balances at 31 December 2021</b>		<b>1,696,119</b>	<b>4,905,763</b>	<b>30,683</b>	<b>69,359</b>	<b>6,701,924</b>	<b>6,344,812</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

### Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
	Notes					
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	33,103	27,759	-	-	60,862
Charitable activities	4	233,194	-	9,717	-	242,911
Investments	5	63,087	83,441	-	2,089	148,617
Other income	6	5,334	-	395	-	5,729
<b>Total income and endowments</b>		<b>334,718</b>	<b>111,200</b>	<b>10,112</b>	<b>2,089</b>	<b>458,119</b>
<b><u>Expenditure on:</u></b>						
Raising funds	7	57,168	18,235	-	575	75,978
Charitable activities	8	655,624	21,643	17,385	-	694,652
<b>Total expenditure</b>		<b>712,792</b>	<b>39,878</b>	<b>17,385</b>	<b>575</b>	<b>770,630</b>
Net gains/(losses) on investments	13	9,654	132,063	-	714	142,431
<b>Net (outgoing)/incoming</b>		<b>(368,420)</b>	<b>203,385</b>	<b>(7,273)</b>	<b>2,228</b>	<b>(170,080)</b>
<b><u>Other recognised gains and losses</u></b>						
Other gains or losses	14	(25,047)	(35,704)	-	-	(60,751)
<b>Net movement in funds</b>		<b>(393,467)</b>	<b>167,681</b>	<b>(7,273)</b>	<b>2,228</b>	<b>(230,831)</b>
Fund balances at 1 January 2020		2,122,802	4,358,595	37,413	56,833	6,575,643
<b>Fund balances at 31 December 2020</b>		<b>1,729,335</b>	<b>4,526,276</b>	<b>30,140</b>	<b>59,061</b>	<b>6,344,812</b>


# THE ORDER OF FRIARS MINOR CONVENTUAL


## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	15	157,635		164,114	
Investments	16	6,370,685		5,884,468	
		<u>6,528,320</u>		<u>6,048,582</u>	
<b>Current assets</b>					
Debtors	18	57,563		1,808	
Cash at bank and in hand		506,763		455,329	
		<u>564,326</u>		<u>457,137</u>	
<b>Creditors: amounts falling due within one year</b>	19	(185,722)		(35,907)	
Net current assets		<u>378,604</u>		<u>421,230</u>	
<b>Total assets less current liabilities</b>		<u>6,906,924</u>		<u>6,469,812</u>	
<b>Creditors: amounts falling due after more than one year</b>	20	-		(125,000)	
<b>Provisions for liabilities</b>	21	(205,000)		-	
<b>Net assets</b>		<u>6,701,924</u>		<u>6,344,812</u>	
<b>Capital funds</b>					
Endowment funds	23	69,359		59,061	
<b>Income funds</b>					
Restricted funds	24	30,683		30,140	
<u>Unrestricted funds</u>					
Designated funds	25	4,905,763		4,526,276	
General unrestricted funds		<u>1,696,119</u>		<u>1,729,335</u>	
		<u>6,601,882</u>		<u>6,255,611</u>	
		<u>6,701,924</u>		<u>6,344,812</u>	

The financial statements were approved by the Trustees on 20/11/2024

  
 .....  
 Rev W Martin - Custos  
 Trustee

  
 .....  
 Rev R Doyle - Bursar  
 Trustee



# THE ORDER OF FRIARS MINOR CONVENTUAL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	30		(6,988)		(496,178)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,964)		(19,362)	
Proceeds from disposal of tangible fixed assets		1,350		-	
Purchase of investments		(122,323)		(414,939)	
Proceeds from disposal of investments		162,598		263,006	
Investment income received		151,474		148,617	
Cash reclassified from investment portfolio		-		146,836	
<b>Net cash generated from investing activities</b>			190,135		124,158
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			183,147		(372,020)
Cash and cash equivalents at beginning of year			2,721,777		3,093,797
<b>Cash and cash equivalents at end of year</b>	31		2,904,924		2,721,777

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Charity information

The Order of Friars Minor Conventual is a charity governed by its trust deed dated 12 October 1966 as amended by the Scheme on the 6 March 1970 and the Scheme on the 28 September 2000. The principal office is Greyfriars, 26 Cornwall Road, London, SE1 8TW.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent Endowment fund are investments held in perpetuity.

Investment income, gains and losses are allocated to the appropriate fund.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

(Continued)

##### 1.4 Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in the statement of financial activities when the conditions for receipt have been complied with.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The costs of activities in furtherance of the charity's objects comprise expenditure on the charity's primary charitable purposes. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold/leasehold property	Not depreciated
Fixtures, fittings & equipment	20% per annum straight line
Computers	20% per annum straight line
Motor vehicles	20% per annum straight line

Freehold land is not depreciated.

The freehold/leasehold property is included at cost. These assets are not being depreciated because the depreciation charge is considered to be immaterial to the accounts because of the length of the useful lives of the assets and their residual values.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### Historic assets

Works of art, treasures and plate are not capitalised in these accounts as they are considered historic, have very long lives and are worth preserving indefinitely. The trustees consider that it would be prejudicial to the safe custody of these assets to disclose details of their value and usage in these accounts.

#### School property

Land and buildings legally owned by the charity and occupied rent free by the Catholic voluntary aided schools, which are separate charities and publicly funded, are valued at nil for the purpose of these accounts. The trustees consider that no meaningful value can be attributed to these assets since they are not used directly by the charity, do not generate any income, and cannot be disposed of in the open market or put to alternative use while such occupation, which may be indefinite, continues.

#### 1.7 Fixed asset investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.11 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

**(Continued)**

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.14 Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

#### **1.15 Taxation**

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

### **2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were considered to be no critical accounting estimates or judgements applied in the preparation of these financial statements.

**THE ORDER OF FRIARS MINOR CONVENTUAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

3 Donations and legacies	Unrestricted funds		Unrestricted funds designated		Total		Unrestricted funds general		Unrestricted funds designated		Total	
	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£
Donations and gifts	39,177		23,887		63,064		33,103		27,759		60,862	
Legacies receivable	233,931		-		233,931		-		-		-	
	<u>273,108</u>		<u>23,887</u>		<u>296,995</u>		<u>33,103</u>		<u>27,759</u>		<u>60,862</u>	

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 4 Charitable activities

	Training of postulates, novices and student friars 2021 £	Religious and other charitable work 2021 £	Total 2021 £	Training of postulates, novices and student friars 2020 £	Religious and other charitable work 2020 £	Total 2020 £
Performance related grants	-	141,073	141,073	-	39,929	39,929
Income from charitable activities	13,615	179,308	192,923	15,175	187,807	202,982
	<u>13,615</u>	<u>320,381</u>	<u>333,996</u>	<u>15,175</u>	<u>227,736</u>	<u>242,911</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	9,000	307,757	316,757	15,175	218,019	233,194
Restricted funds	4,615	12,624	17,239	-	9,717	9,717
	<u>13,615</u>	<u>320,381</u>	<u>333,996</u>	<u>15,175</u>	<u>227,736</u>	<u>242,911</u>



**THE ORDER OF FRIARS MINOR CONVENTUAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

5 Investments	Unrestricted Unrestricted Endowment				Unrestricted Unrestricted Endowment				Total	
	funds general	funds designated	funds Endowment	Total	funds general	funds designated	funds Endowment	Total		
	2021	2021	2021	2021	2020	2020	2020	2020		
	£	£	£	£	£	£	£	£		
Income from listed investments	64,292	84,413	2,734	151,439	62,730	83,275	2,089	148,094		
Interest receivable	32	3	-	35	357	166	-	523		
	<u>64,324</u>	<u>84,416</u>	<u>2,734</u>	<u>151,474</u>	<u>63,087</u>	<u>83,441</u>	<u>2,089</u>	<u>148,617</u>		

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

### 6 Other income

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>
Net (loss)/gain on disposal of tangible fixed assets	1,350	-	-	-
Other income	55,082	5,334	395	5,729
	<u>56,432</u>	<u>5,334</u>	<u>395</u>	<u>5,729</u>

**THE ORDER OF FRIARS MINOR CONVENTUAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

7 Raising funds	Unrestricted funds				Endowment funds		Total	Unrestricted funds				Endowment funds		Total
	general	designated	2021	£	2021	£	2021	general	designated	2020	£	2020	£	2020
<u>Trading costs - magazine</u>														
Other trading activities	20,858	-	-		-		20,858	39,372	-	-		-		39,372
Staff costs	9,696	-	-		-		9,696	10,024	-	-		-		10,024
Trading costs - magazine	30,554	-	-		-		30,554	49,396	-	-		-		49,396
<u>Investment management</u>	8,904	18,206	659				27,769	7,772	18,235	575				26,582
	39,458	18,206	659				58,323	57,168	18,235	575				75,978

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Charitable activities

	Training of postulates, novices and student friars 2021 £	Religious and other charitable work 2021 £	Total 2021 £	Training of postulates, novices and student friars 2020 £	Religious and other charitable work 2020 £	Total 2020 £
Depreciation and impairment	-	9,444	9,444	-	9,083	9,083
Formation	69,837	-	69,837	69,664	-	69,664
Support of members	101,912	372,272	474,184	80,379	269,466	349,845
Missions and donations	-	1,646	1,646	94	1,053	1,147
Apostolic/Ministerial costs	785	2,126	2,911	1,915	10,189	12,104
Masses transferred	2,970	13,186	16,156	3,569	13,212	16,781
	<u>175,504</u>	<u>398,674</u>	<u>574,178</u>	<u>155,621</u>	<u>303,003</u>	<u>458,624</u>
Share of support costs (see note 9)	-	1,527	1,527	-	55,216	55,216
Share of governance costs (see note 9)	3,669	263,087	266,756	3,183	177,629	180,812
	<u>179,173</u>	<u>663,288</u>	<u>842,461</u>	<u>158,804</u>	<u>535,848</u>	<u>694,652</u>
<b>Analysis by fund</b>						
Unrestricted funds - general	176,203	649,449	825,652	141,481	514,143	655,624
Unrestricted funds - designated	-	113	113	13,754	7,889	21,643
Restricted funds	2,970	13,726	16,696	3,569	13,816	17,385
	<u>179,173</u>	<u>663,288</u>	<u>842,461</u>	<u>158,804</u>	<u>535,848</u>	<u>694,652</u>

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £	Basis of allocation
Province travel	-	-	-	3,929	-	3,929	100% allocated to religious and other charitable work
Pension costs (USA)	1,527	-	1,527	51,287	-	51,287	100% allocated to religious and other charitable work
Audit fees	-	6,680	6,680	-	6,365	6,365	Governance
Accountancy	-	9,146	9,146	-	7,316	7,316	Governance
Legal and professional	-	42,749	42,749	-	24,266	24,266	Governance
Bank charges unrestricted	-	2,566	2,566	-	2,174	2,174	Governance
Bank charges restricted	-	540	540	-	604	604	Governance
Bank charges designated	-	75	75	-	87	87	Governance
Fines and claims	-	205,000	205,000	-	140,000	140,000	Governance
	1,527	266,756	268,283	55,216	180,812	236,028	
Analysed between							
Charitable activities	1,527	266,756	268,283	55,216	180,812	236,028	

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 10 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	6,680	6,365
<b>Non-audit services</b>		
Accountancy fees	9,146	7,316

#### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

#### 12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Friary workers	1	1
<b>Employment costs</b>		
	2021 £	2020 £
Wages and salaries	9,593	9,781
Social security costs	-	137
Other pension costs	103	106
	9,696	10,024

There were no employees whose annual remuneration was more than £60,000.

**THE ORDER OF FRIARS MINOR CONVENTUAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

13 Net gains/(losses) on investments	Unrestricted funds		Unrestricted funds designated		Endowment funds		Total Unrestricted funds		Unrestricted funds designated		Endowment funds		Total	
	general	2021	£	2021	£	2021	£	2021	2020	£	2020	£	2020	£
Revaluation of investments	100,124			262,897		7,409		370,430	13,124		74,312		88,407	
Gain/(loss) on sale of investments	11,005			12,530		814		24,349	(3,470)		57,751		54,024	
	111,129			275,427		8,223		394,779	9,654		132,063		142,431	

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 14 Other gains or losses

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
Foreign exchange losses / (gains)	(10,144)	(14,076)	(24,220)	25,047	35,704	60,751

#### 15 Tangible fixed assets

	Freehold/ leasehold property £	Fixtures, fittings & equipment £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2021	141,292	16,445	7,798	55,595	221,130
Additions	-	1,114	-	1,850	2,964
Disposals	-	-	-	(5,000)	(5,000)
At 31 December 2021	141,292	17,559	7,798	52,445	219,094
<b>Depreciation and impairment</b>					
At 1 January 2021	-	14,737	5,176	37,102	57,015
Depreciation charged in the year	-	1,210	988	7,246	9,444
Eliminated in respect of disposals	-	-	-	(5,000)	(5,000)
At 31 December 2021	-	15,947	6,164	39,348	61,459
<b>Carrying amount</b>					
At 31 December 2021	141,292	1,612	1,634	13,097	157,635
At 31 December 2020	141,292	1,707	2,622	18,493	164,114

The freehold/leasehold property is included at cost. These assets are not being depreciated because the depreciation charge is considered to be immaterial to the accounts because of the length of the useful lives of the assets and their residual values.

There are properties on two sites which are owned by the charity but are not included in the accounts as there is no cost attaching to them, and the trustees consider that the costs of their valuation exceed the benefit of the information as both are used for the ongoing purposes of the charity.



# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 16 Fixed asset investments

	Listed investments	Legacy Fund (USA)	Restricted Education Fund (USA)	Cash in portfolio	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 January 2021	3,618,020	865,122	1,307,591	93,735	5,884,468
Additions	122,323	-	-	-	122,323
Valuation changes	394,779	-	-	-	394,779
Net movement in cash	-	37,379	79,778	14,556	131,713
Disposals	(162,598)	-	-	-	(162,598)
At 31 December 2021	3,972,524	902,501	1,387,369	108,291	6,370,685
<b>Carrying amount</b>					
At 31 December 2021	3,972,524	902,501	1,387,369	108,291	6,370,685
At 31 December 2020	3,618,020	865,122	1,307,591	93,735	5,884,468

#### 17 Financial instruments

	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	2,962,487	2,723,585
Equity instruments measured at fair value	3,972,524	3,618,020
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	185,722	160,907

#### 18 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	57,563	1,808

#### 19 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	130,964	7,192
Accruals	54,758	28,715
	185,722	35,907

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 20 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	-	125,000
	<u>          </u>	<u>          </u>

### 21 Provisions for liabilities

	2021 £	2020 £
Court settlement	205,000	-
	<u>          </u>	<u>          </u>

Movements on provisions:

	Court settlement £
Additional provisions in the year	205,000
	<u>          </u>

### 22 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £103 (2020 - £106). In addition to this there were pension costs paid on behalf of the friars from the USA totalling £1,527 (2020 - £51,287).

There were no outstanding amounts due for repayment as at 31 December 2021 (2020: £nil).

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 23 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2020	Movement in funds			Net gains/ (losses)1 January 2021	Balance at January 2021	Movement in funds			Net gains/ (losses)	Balance at 31 December 2021
		Income	Expenditure	£			Income	Expenditure	£		
<b>Permanent endowments</b>				£					£		£
The Richard Blundell Education Fund	56,833	2,089	(575)		714	59,061	2,734	(659)		8,223	69,359
	56,833	2,089	(575)		714	59,061	2,734	(659)		8,223	69,359

#### The Richard Blundell Education Fund

This endowment fund has been set up to support the charity's students. Only the annual earnings on the principal will be used. The principal amounts to £30,000 (2020 - £30,000).

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 24 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 December 2021
	Balance at 1 January 2020	Income	Expenditure	Balance at 1 January 2021	Income	Expenditure	
	£	£	£	£	£	£	£
Mass Fund	37,413	10,112	(17,385)	30,140	17,239	(16,696)	30,683
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### The Mass Fund

Mass offerings represent donations made to the charity for the purpose of Mass being said for the intention. On the Mass being said, the donations are released to general funds.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 25 Designated funds

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

	Balance at 1 January 2020	Movement in funds				Movement in funds				Balance at 31 December 2021	
		Income	Expenditure	Net gains/ (losses)	Foreign exchange movement	Balance at 1 January 2021	Income	Expenditure	Net gains/ (losses)		Foreign exchange movement
	£	£	£	£	£	£	£	£	£	£	
Sick Club Fund	40,687	1,602	(87)	-	-	42,202	1,079	(75)	-	-	43,206
Education Fund	1,902,913	74,974	(21,556)	-	(35,704)	1,920,627	64,245	(2,351)	-	14,076	1,996,597
Missions fund	3,080	-	-	-	-	3,080	-	-	-	-	3,080
Educational buildings fund	2,411,915	34,624	(18,235)	132,063	-	2,560,367	42,979	(15,893)	275,427	-	2,862,880
	4,358,595	111,200	(39,878)	132,063	(35,704)	4,526,276	108,303	(18,319)	275,427	14,076	4,905,763

#### The Sick Club Fund

The purpose of this fund is to ensure that the Order has sufficient resources to care for its elderly and sick Friars.

#### Education Fund

One of the principal objects of the charity is the training of new postulantes, novices and student-friars so that they might better advance the religious and charitable works of the Order. With the rising costs of education and formation, the Trustees established an Education Fund, restricting the principal so that only the interest (dividends) of the investments may be used. This fund began in Ireland where the Friars also minister; given that the majority of Formation Expenses occur in the UK and given the interest rate in Ireland is very low, the Trustees of the Irish Charity of the Friars transferred the initial principal to a US account for better interest, and transferred, as a donation, all of the funds under the auspices of the UK Charity.

#### Missions Fund

The Missions Fund is money collected for the foreign missions that The Order are involved in. This is transferred to Rome when the funds are considered large enough to send.

#### Educational buildings fund

The money received from the closure and sale of the Franciscan International Study Centre has been set aside for the use of formation housing when the decision to purchase another building is made.

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

26	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Endowment funds		Total Unrestricted funds		Designated funds		Restricted funds		Endowment funds		Total	
		2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2021	£	2020	£
	Fund balances at 31 December 2021 are represented by:																		
	Tangible assets	157,635		-		-		-		157,635		-		-		-		164,114	
	Investments	1,441,849		4,859,477		-		69,359		6,370,685		4,480,994		-		59,061		5,884,468	
	Current assets/(liabilities)	301,635		46,286		30,683		-		378,604		45,282		30,140		-		421,230	
	Long term liabilities	-		-		-		-		-		-		-		-		(125,000)	
	Provisions	(205,000)		-		-		-		(205,000)		-		-		-		-	
		1,696,119		4,905,763		30,683		69,359		6,701,924		4,526,276		30,140		59,061		6,344,812	

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 27 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	60,000	60,000
Between two and five years	150,000	210,000
	<u>210,000</u>	<u>270,000</u>

#### 28 Events after the reporting date

The Order of Friars Minor Conventual is in receipt of a claim arising from an historical incident. The claim was settled in November 2024 and the settlement of £205,000 has been paid. As this is an adjusting post balance sheet event a provision has been included in the accounts.

#### 29 Related party transactions

Included within investments is £2,289,870 (2020: £2,172,713) held within a larger investment portfolio by Our Lady of the Angels Province in the USA on behalf of the Order. Our Lady of the Angels Province is part of the worldwide men's religious Order of the Friars of Minor Conventuals or commonly referred to as Franciscan Friars, of which The Order of Friars Minor Conventual is a custody of.

During the year the Order received £68,669 (2020: £83,196) which relates to their share of the investment income received on the whole portfolio held by Our Lady of the Angels Province. They also received £22,811 (2020: £26,323) as donations into the account held by Our Lady of the Angels Province and expenses totalling £nil (2020: £64,931) were paid on their behalf. The foreign exchange gains on these funds totalled £25,677 (2020: losses £55,602).

#### 30 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	332,892	(170,080)
Adjustments for:		
Investment income recognised in statement of financial activities	(151,474)	(148,617)
Foreign exchange differences	24,220	(60,751)
Gain on disposal of tangible fixed assets	(1,350)	-
Gain on disposal of investments	(24,349)	(54,024)
Fair value gains and losses on investments	(370,430)	(88,407)
Depreciation and impairment of tangible fixed assets	9,444	9,083
Movements in working capital:		
(Increase)/decrease in debtors	(55,756)	20,100
Increase/(decrease) in creditors	24,815	(3,482)
(Decrease) in provisions	205,000	-
<b>Cash absorbed by operations</b>	<u>(6,988)</u>	<u>(496,178)</u>

# THE ORDER OF FRIARS MINOR CONVENTUAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### 31 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	506,763	455,329
Cash held within investment portfolio	2,398,161	2,266,448
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>2,904,924</b>	<b>2,721,777</b>
	<hr/> <hr/>	<hr/> <hr/>