

CHARITY FOR THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION IN THE ROMAN CATHOLIC DIOCESES OF SOUTHWARK AND ARUNDEL AND BRIGHTON

England & Wales · Charity number 251342

Details

Other names ST JOHN'S SEMINARY WONERSH

Status Registered

Legal form Trust

Registered 1967-03-17

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

Contact

Address C/O Diocese of Arundel & Brighton
The St. Philip Howard Centre
4 Southgate Drive
Crawley
RH10 6RP

Phone 01293651145

Email coo@abdiocese.org.uk

Website www.wonersh.org

Activities

Objects: FOR THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION BY SUCH CHARITABLE MEANS AS THE ROMAN CATHOLIC ARCHBISHOP OF SOUTHWARK FOR THE TIME BEING AND THE ROMAN CATHOLIC BISHOP OF ARUNDEL AND BRIGHTON FOR THE TIME BEING SHALL FROM TIME TO TIME JOINTLY DIRECT.

Activities: The Seminary is a college training students in preparation for ordination as Catholic Priests.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Religious Activities
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** ROMAN CATHOLIC DIOCESES OF SOUTHWARK, ARUNDEL AND BRIGHTON.
- East Sussex
- Kent
- Surrey
- West Sussex
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31		£0	£0	-
2024-07-31		£0	£0	-
2023-07-31		£0	£0	-
2022-07-31		£0	£0	-
2021-07-31	£175,384	£3,416,875		-

Trustees

Name	Role	Appointed
Rt Rev Paul Hendricks		2014-08-20
The Most Reverend John Wilson		2020-01-10
The Reverend Canon Jonathan Martin		2020-01-10
The Right Reverend Richard Moth		2016-07-31

CHARITY FOR THE ADVANCEMENT OF THE ROMAN CATHOLIC RELIGION IN THE ROMAN CATHOLIC

England & Wales - Charity number 251342

Accounts

Charity number: 251342

ST. JOHN'S SEMINARY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

ST. JOHN'S SEMINARY

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ST. JOHN'S SEMINARY

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2021**

Trustees

Most Rev John Wilson
Right Rev Richard Moth
Rev Canon Jonathan Martin
Right Rev Paul Hendricks

Charity registered number

251342

Principal office

St. John's Seminary, Wonersh, Guildford, Surrey, GU5 0QX

Rector

Monsignor Gerald Ewing

Independent auditors

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Bankers

HSBC, 69 Pall Mall, London, SW1Y 5EY

Solicitors

DMH Stallard, 100 Queen's Road, Brighton, East Sussex, BN1 3YB

Investment Managers

Barclays Wealth, 1 Churchill Place, London, E14 5HP

ST. JOHN'S SEMINARY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governing Instrument of St John's Seminary (hereinafter described as "the Seminary"), a Deed of Revocation and New Appointment dated 12 December 1966, states that its objective is "for the advancement of the Roman Catholic Religion by such charitable means as the Roman Catholic Archbishop of Southwark and the Roman Catholic Bishop of Arundel & Brighton for the time being shall from time to time jointly direct".

Organisation

The Rector is appointed by the Trustees, and is responsible for the administration and running of the Seminary. He appoints a Premises Manager and a Finance & Admin Officer, who are responsible for the day-to-day management of the Seminary and its finances respectively. The Rector reports twice a year to the Seminary Finance Committee, which makes decisions concerning major financial matters in consultation with the Trustees. The Finance Committee consists of the Rector, who is Chairman, the Chief Operating Officers of the Archdiocese of Southwark and the Diocese of Arundel & Brighton, the Finance & Admin Officer, and the Seminary accountant. Its meetings may also be attended by co-opted members of staff and representatives of the Seminary Auditors, Surveyors and Investment Managers.

The normal running costs of the Seminary are funded principally through fees charged per student, which are paid by the Bishop or Religious Superior who is sponsoring the particular student. Students are not personally liable for the costs of their formation. The level of fees for a given year is set by the Finance Committee in the meeting which takes place in the March of the previous academic year. In order to coincide with the academic year, the Seminary's financial year begins on 1 August and ends on 31 July. The income from fees is supplemented by income from investments, rents from properties, bursaries and donations. In June 2020 a CIO was established (St John's Seminary CIO) to incorporate the charity and provide a structure to support the fulfilment of the strategy.

Recruitment and Training of Trustees

The Archbishop of Southwark and the Bishop of Arundel & Brighton appoint two Trustees each, usually themselves and one other senior member of each Diocese. Trustees are appointed who have experience of the governance and management of ecclesiastical charities. Trustees receive a briefing on the operation of the Seminary and copies of key documents, including recent Annual reports. The induction programme for new Trustees includes the outlining of the responsibilities of Trustees, an overview of the operation of the Seminary, key personnel, the major risks to which the Trust is exposed and its financial position.

Risk Management and Public Benefit

The Trustees have assessed and reviewed the major risks to which the Trust is exposed, in particular those related to the operation and finances of the Trust, and are satisfied that systems are in place to mitigate their exposure to the major risks.

Risk 1. Loss of income due to low student numbers. To counter this risk, reserves fund used for 6 to 12 Months.

Risk 2. loss of income due to stock market falls. To counter this risk, reserves fund used for 6 to 12 Months

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Health and Safety specialists were employed to produce a Risk Assessment in order to ensure the safe return of students and staff after the Covid-19 lockdown in the spring of 2020, which led to the closure of the Seminary for some 6 months. The Seminary re-opened in September 2020, and has stayed open since, and is fully compliant with the requirements and recommendations of the Covid-19 Risk Assessment and Government regulations.

ST. JOHN'S SEMINARY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2021

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Seminary is a college training students in preparation for ordination as Catholic priests. It was originally a Diocesan Seminary, owned and administered by the Archdiocese of Southwark. When the Archdiocese of Southwark was divided, and the new Diocese of Arundel & Brighton created from its territory, the Seminary was established as a separate Charity in 1966. Although not canonically erected as a regional Seminary, it effectively functions as such, taking students from other Dioceses - including Clifton and Portsmouth, as well as from Southwark and Arundel & Brighton. Students from Religious Orders or Congregations may also be prepared at the Seminary for ordination as Catholic priests.

Aims

It is the policy of the Seminary to provide the conditions necessary to prepare students for ordination as Roman Catholic priests. This includes providing for the "human, spiritual, intellectual and pastoral areas of formation", as described in the Apostolic Exhortation of Pope St John Paul II, *Pastores Dabo Vobis* (1992), and the *Ratio Fundamentalibus Institutionis Sacerdotalis* (2016) of the Congregation for the Clergy in Rome, commonly referred to as *The Gift of Priestly Vocation*, and even more commonly referred to as *The Ratio*. The Seminary also has the responsibility of making recommendations to the Bishops, Religious Orders or Congregations, who sponsor each student, concerning his suitability for ordination. There have been no material changes in policy during the past year.

Objectives for the year

The main objectives for the Charity for the year continued to be the advancement of religion through the provision of full and part-time training for students for ordination as Catholic priests for the Dioceses of England & Wales and Religious Orders and Congregations.

Provision was also made for full and part-time philosophical, theological and spiritual formation for lay and religious students, both male and female. The Charity also seeks to assist the wider Church and community, both locally and nationally, in the furtherance of the Kingdom of God.

Cordial and close links continue to be maintained with the Dioceses and Religious Orders and Congregations that provide and fully-fund the students for ordination as Catholic priests. Advice and assistance is given for the promotion of suitable applicants for priesthood. The premises are promoted as available for educational and associated uses in accordance with the purposes of the Charity.

At the end of the academic year, the direct provision of training ceased and the charity collaborated with another Seminary to ensure that all seminarians were able to seamlessly continue their formation. In December 2020 the assets and activities were transferred to the CIO and the charity is at the date of this report dormant. The Trustees have resolved to retain the charity indefinitely.

ACHIEVEMENTS AND PERFORMANCE

Operational performance

10 students were ordained as Deacons in the year 2020/2021 and 5 were ordained priests. The total number of students in formation for the priesthood was 17.

The Seminary has been an Associated Institution of St Mary's University - Twickenham, which validates the BTh programme. The flexibility in arranging programmes of formation, and the strength and integration of the formation offered in regard to human, spiritual, intellectual and pastoral development, and the revamping of the curriculum in line with the requirements of *The Ratio*, are some of the reasons why Bishops and Superiors from a range of Dioceses and Religious Orders and Congregations ask the Seminary to assist in the formation of their students. While the work of priestly formation is the primary focus of the Seminary, the Trust was also able to further its aims by offering expertise, facilities and courses to members of local parishes and to regional and national bodies. The Trustees also note the contribution of Seminary Staff to national and international consultative bodies.

ST. JOHN'S SEMINARY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2021

Investment policy

For the period up to the date of transfer of the assets of the charity to the new CIO the Trustees set an investment policy for a balanced return of capital growth and income subject to a medium level of risk. The Trustees required the portfolio to be managed so that they became shareholders only of companies which uphold standards consistent with this Trust. Its investment managers are specifically instructed not to invest in companies which are predominantly involved in production of armaments, tobacco or abortion products. The individual holdings are reviewed against these criteria and in the light of the Church's moral teaching, and the Trustees are satisfied that their managers comply with this policy.

In accordance with their duties under the Trustee Act 2000, in respect of a discretionary investment management agreement, the Trustees undertake an annual review of the performance of the Fund's managers.

Investment performance

There was a gain on the Seminary's investments of £32,497 (2020: loss of £53,730) during the year per note 8 to the accounts. At the date of the transfer to the new CIO the value of the portfolio was £540,481

FINANCIAL REVIEW

The accounts for the year to 31 July 2021 show a net decrease in funds before investment movements and transfer to the new CIO of £118,385 (2020: an increase of £257,862).

Total income in 2020/2021 totalled £175,384 which was a significant reduction on the prior year due to the impact in the prior year of significant legacy and donation income plus the impact of the transfer to the CIO of the charities activities part way through the year. Total expenditure, excluding exceptional items fell in a similar way to the income.

The reserves at the end of the year totalled nil.

The process for setting remuneration of key management personnel

All staff pay is set against the "Living Wage". Should the "Living Wage" be increased by 2%, then key management would receive a 2% salary increase in April of the next year.

The Trustees are continuing to investigate ways of improving the ability of the Trust to meet its objectives, principally through the work of priestly formation. This has continued through to the new CIO and is aligned to the strategic review as to how to best support priestly formation following the closure of the seminary.

Reserves Policy

Following the transfer to the new CIO the charity had no reserves. The purpose of the charity is to receive income to which it is entitled and to use that in accordance with the donor or legator's wishes. Accordingly no reserves are required to be retained in the charity.

Fundraising

The charity manages its own fundraising activities and does not employ the services of professional fundraisers. We do not engage in cold-calling, door to door or street fundraising. The charity is therefore not registered with the Fundraising Regulator.

No complaints about fundraising activities have been received during the year. The charity has policies in place to protect vulnerable donors.

The Trustees are of the opinion that the charity's overall fundraising performance was good and was conducted in full accordance with the above principles.

ST. JOHN'S SEMINARY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2021

PLANS FOR THE FUTURE

As mentioned in the 2020 Trustees' Report, the Trustees regretfully came to the decision that the Seminary could not continue in its present form and relocated the 11 students who were still in priestly formation in September 2021 to Allen Hall Seminary in Chelsea. The assets of the charity have been transferred to the new CIO which is considering offers for the site whilst considering the most appropriate way to use the proceeds and existing assets to advance the mission of the charity. At the date of this report the Trustees have decided to retain this charity for the receipt of legacies and donations until such time as the implementation of the Charities Act 2022 will enable the safe closure and de-registering of the charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper 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.

AUDITORS

A resolution to re-appoint Haysmacintyre LLP is proposed annually at a meeting of the Trustees.

Approved on 1 July 2022 by:


Most Rev John Wilson
Trustee


Rev Mgr Gerald Ewing
Rector

ST. JOHN'S SEMINARY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST. JOHN'S SEMINARY

Opinion

We have audited the financial statements of St. John's Seminary CIO (the 'Charity') for the period ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 July 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' 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST. JOHN'S SEMINARY

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
- sufficient and proper 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.

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 employment law and taxes and Charity law, 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 the Charities Act 2011 and the Charities SORP.

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. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- 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;
- Reviewing valuations of investments; and
- Identifying and testing journals.

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.

ST. JOHN'S SEMINARY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST. JOHN'S SEMINARY

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.

Use of our report

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



Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

..... 5 July 2022

Haysmacintyre LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ST. JOHN'S SEMINARY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies		3,241	-	3,241	496,302
Charitable activities:					
Theological education		161,595	-	161,595	604,490
Investments	3	-	-	-	17,880
Rents and visitor income		10,548	-	10,548	58,386
Other Income- sale of fixed assets		-	-	-	44,367
TOTAL INCOME		<u>175,384</u>	<u>-</u>	<u>175,384</u>	<u>1,221,425</u>
EXPENDITURE ON:					
Charitable activities:					
Teaching		81,557	-	81,557	283,826
Residential		88,223	-	88,223	260,596
Premises		123,989	-	123,989	414,114
Transfer to successor entity	18	2,799,093	324,013	3,123,106	-
TOTAL EXPENDITURE	5	<u>3,092,862</u>	<u>324,013</u>	<u>3,416,875</u>	<u>958,536</u>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS					
Net gains on investments	8	(2,917,478)	(324,013)	(3,241,491)	262,889
		<u>32,497</u>	<u>-</u>	<u>32,497</u>	<u>(53,730)</u>
NET INCOME / (EXPENDITURE)		<u>(2,884,981)</u>	<u>(324,013)</u>	<u>(3,208,994)</u>	<u>209,159</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		<u>2,884,981</u>	<u>324,013</u>	<u>3,208,994</u>	<u>2,999,835</u>
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,208,994</u>

The notes on pages 12 to 23 form part of these financial statements.

ST. JOHN'S SEMINARY

**BALANCE SHEET
AS AT 31 JULY 2021**

	Note	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible assets	7			-		1,807,474	
Investments	8			-		<u>507,984</u>	
				-		2,315,458	
CURRENT ASSETS							
Debtors	9		-		435,639		
Cash at bank and in hand			-		<u>521,760</u>		
				-		957,399	
CREDITORS: amounts falling due within one year	10		-		<u>(63,863)</u>		
NET CURRENT ASSETS				-		<u>893,536</u>	
NET ASSETS				-		<u>3,208,994</u>	
CHARITY FUNDS							
Restricted funds	11			-		324,013	
Unrestricted funds	11			-		<u>2,884,981</u>	
TOTAL FUNDS				-		<u>3,208,994</u>	

The financial statements were approved and authorised for issue by the Trustees on 1st July 2022 and signed on their behalf, by:


Most Rev John Wilson


Rev Mgr Gerald Ewing

The notes on pages 12 to 23 form part of these financial statements.

ST. JOHN'S SEMINARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	13	<u>269,769</u>	<u>79</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	43,653
Purchase of tangible fixed assets		-	(33,927)
		<u>-</u>	<u>9,726</u>
Net cash used in investing activities			
		-	9,726
Change in cash and cash equivalents in the year			
		269,769	9,805
Cash and cash equivalents brought forward		<u>521,760</u>	<u>511,955</u>
Cash and cash equivalents transferred to successor entity	14	<u><u>791,529</u></u>	<u><u>521,760</u></u>

The notes on pages 12 to 23 form part of these financial statements.

ST. JOHN'S SEMINARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (Second Edition, effective 1 January 2020) and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

St. John's Seminary constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. See comments in the Plans for the Future section of the Trustees' Report regarding the relocation of the 11 students who will still be in priestly formation in September 2021 to Allen Hall Seminary in Chelsea. The review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for at least one year after these accounts are approved even after the impact of Covid 19 on the Charity is considered.

1.3 Incoming resources

All income is recognised 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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service. Furloughing grants are recognised on a receivable basis.

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES (CONTINUED)**1.4 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 allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Depreciation

All assets costing more than £3,000 are capitalised.

Land and Buildings

Depreciation is provided at the rate of 2% pa on buildings, to write off their cost, less anticipated residual values, over their estimated useful lives. The Trustees are of the opinion that the standard of maintenance of the buildings will ensure that the residual value will be no less than half of the cost shown on the balance sheet. Rented property is an integral part of the Seminary property and is not therefore shown as investment property. No depreciation is provided on assets in the course of construction.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years
Furniture and Equipment	-	5 years
Motor vehicles	-	3 to 4 years
Tractor	-	10 years
Office equipment - general	-	3 years
Organ	-	20 years

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.7 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs 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.

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

1.8 Interest receivable

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

1.9 Debtors

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

1.10 Cash at Bank and in hand

Cash at bank and in hand includes 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are considered to be depreciation and estimation of legacy debtors.

1.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	96,892	361,357
Social security costs	1,442	19,517
Other pension costs	7,207	5,495
Redundancy costs	16,762	-
	<u>122,303</u>	<u>386,369</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Professors full time	5	7
Tutors Part time	1	10
Administration	4	5
Other - catering, domestic, grounds etc	5	7
	<u>15</u>	<u>29</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management comprise the Rector, Director of Human Formation, Director of Pastoral Formation, Director of Studies, Director of Liturgical Formation, Director of Spirituality, Premises Manager and Admin & Finance Officer.

Total remuneration and benefits for the above in the year was £26,998 (2020 - £94,761)

3. DONATIONS AND LEGACIES

	2021 £	2020 £
Legacies	-	350,000
Donations	3,241	86,442
Furlough grants	-	59,860
	<u>3,241</u>	<u>496,302</u>

INVESTMENT INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,880</u>
Total 2020	<u>12,661</u>	<u>5,219</u>	<u>17,880</u>	

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

4. SUPPORT COSTS

	Teaching £	Residential £	Premises £	Total 2021 £	Total 2020 £
Office	9,686	-	4,151	13,837	38,903
Chapel	375	375	375	1,125	3,671
Professional fees and charges	712	712	712	2,136	43,304
Wages and salaries	20,631	-	8,842	29,473	107,696
National insurance	1,634	-	700	2,334	7,144
Pension cost	341	-	146	487	1,898
	<u>33,379</u>	<u>1,087</u>	<u>14,926</u>	<u>49,392</u>	<u>202,616</u>

Comparative amounts:

Office	27,232	-	11,671	38,903	
Chapel	1,224	1,224	1,223	3,671	
Professional fees and charges	14,435	14,434	14,435	43,304	
Wages and salaries	75,387	-	32,309	107,696	
National insurance	5,001	-	2,143	7,144	
Pension cost	1,328	-	570	1,898	
	<u>124,607</u>	<u>15,658</u>	<u>62,351</u>	<u>202,616</u>	

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Teaching	60,170	-	21,387	81,557	283,826
Residential	52,445	-	35,778	88,223	260,596
Premises	9,688	22,250	92,051	123,988	414,114
Transfer to successor entity	-	-	3,123,106	3,123,106	
	<u>122,303</u>	<u>22,250</u>	<u>3,272,322</u>	<u>3,416,875</u>	<u>958,536</u>

Comparative amounts:

Teaching	204,935	-	78,891	283,826	
Residential	131,811	-	128,785	260,596	
Premises	49,623	138,978	225,513	414,114	
	<u>386,369</u>	<u>138,978</u>	<u>433,189</u>	<u>958,536</u>	

6. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £7,950 (2020 - £7,950).

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

7. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 August 2020	2,163,531	35,574	438,264	2,637,369
Transfer to successor entity	<u>(2,163,531)</u>	<u>(35,574)</u>	<u>(438,264)</u>	<u>(2,637,369)</u>
At 31 July 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation				
At 1 August 2020	472,455	35,574	321,866	829,895
Charge for the year	39,670	-	13,637	53,307
Transfer to successor entity	<u>(512,125)</u>	<u>(35,574)</u>	<u>(335,503)</u>	<u>(883,202)</u>
At 31 July 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 July 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 2020	<u>1,691,076</u>	<u>-</u>	<u>116,398</u>	<u>1,807,474</u>

The insurance value of the Seminary buildings, which were first brought into use in 1891, is approximately £15.7 million. All assets are used for the furtherance of the Charity's objects.

8. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 1 August 2020	507,984
Gains/(Losses)	32,497
Transfer to successor entity	<u>(540,481)</u>
At 31 July 2021	<u>-</u>

Investments at market value comprise:

	2021 £	2020 £
Listed investments	<u>-</u>	<u>507,984</u>

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

9. DEBTORS

	2021 £	2020 £
Trade debtors	-	4,306
Legacies accrued	-	350,000
Prepayments and accrued income	-	81,333
	<hr/>	<hr/>
	-	<u>435,639</u>

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	48,905
Accruals and deferred income	-	14,958
	<hr/>	<hr/>
	-	<u>63,863</u>

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

11. STATEMENT OF FUNDS**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted funds						
General Funds - all funds	<u>2,884,981</u>	<u>175,384</u>	<u>(3,092,862)</u>	<u>-</u>	<u>32,497</u>	<u>-</u>
Restricted funds						
Knights of St Colombia Fund	2,061	-	(2,061)	-	-	-
Rectors Fund	12,088	-	(12,088)	-	-	-
Walter Quinlan Fund	153,494	-	(153,494)	-	-	-
Refurbishment Fund	87,417	-	(87,417)	-	-	-
Chapel Challenge	68,953	-	(68,953)	-	-	-
	<u>324,013</u>	<u>-</u>	<u>(324,013)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of funds	<u>3,208,994</u>	<u>175,384</u>	<u>(3,416,875)</u>	<u>-</u>	<u>32,497</u>	<u>-</u>

The Knights of St Columba Fund is for meeting the needs of individual students.

Rector's Fund is for contributing to the well-being of the community of St John's Seminary.

Walter Quinlan Fund represents the residual balance for funds from the Walter Quinlan Trust to be used for the support of personal needs of seminarians.

Chapel Challenge income is specifically for the redecoration and refurbishment of the main Seminary Chapel.

The Refurbishment Fund is used for the refurbishment of the Seminary.

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

11. STATEMENT OF FUNDS (continued)**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
Unrestricted funds						
General Funds - all funds	<u>2,618,871</u>	<u>1,167,893</u>	<u>(910,031)</u>	<u>46,064</u>	<u>(37,816)</u>	<u>2,884,981</u>
Restricted funds						
Knights of St Colombia Fund	2,061	-	-	-	-	2,061
Rectors Fund	12,422	-	(334)	-	-	12,088
Walter Quinlan Fund	164,189	5,219	-	-	(15,914)	153,494
Refurbishment Fund	139,123	14,401	(37,614)	(28,493)	-	87,417
Smokers Project	-	500	(500)	-	-	-
Chapel Challenge	39,359	33,412	(3,818)	-	-	68,953
Magazine fund	6,239	-	(6,239)	-	-	-
Winters books	17,571	-	-	(17,571)	-	-
	<u>380,964</u>	<u>53,532</u>	<u>(48,505)</u>	<u>(46,064)</u>	<u>(15,914)</u>	<u>324,013</u>
Total of funds	<u>2,999,835</u>	<u>1,221,425</u>	<u>(958,536)</u>	<u>-</u>	<u>(53,730)</u>	<u>3,208,994</u>

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	-
Fixed asset investments	-	-	-
Current assets	-	-	-
Creditors due within one year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,807,474	-	1,807,474
Fixed asset investments	354,490	153,494	507,984
Current assets	786,880	170,519	957,399
Creditors due within one year	(63,863)	-	(63,863)
	<u>2,884,981</u>	<u>324,013</u>	<u>3,208,994</u>

**13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING
ACTIVITIES**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	(3,208,994)	209,159
Adjustment for:		
Depreciation charges	53,307	138,978
(Gains)/losses on investments	(32,497)	53,730
Dividends, interest and rents from investments	-	(43,653)
Transfer to successor entity	3,123,106	
Decrease/(increase) in debtors	203,411	(392,780)
Increase in creditors	<u>131,436</u>	<u>34,645</u>
Net cash provided by operating activities	<u>269,769</u>	<u>79</u>

ST. JOHN'S SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	-	<u>521,760</u>
Total	<u>-</u>	<u>521,760</u>

15. CAPITAL COMMITMENTS

There are no capital commitments at the year end (2020: £Nil).

16. TRUSTEES' REMUNERATION AND EXPENSES

No Trustees received any remuneration (2020: £Nil) or reimbursement of expenses (2020: £Nil) during the year.

17. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year (2020 - none)

18. TRANSFER FROM SUCCESSOR ENTITY

St John's Seminary Charitable Incorporated Organisation (CIO) was established by a constitution dated 8 June 2020. On 18 December 2020, the assets and liabilities of St. John's Seminary (charity number 251342), were transferred into the CIO, the successor entity. The analysis of net assets transferred was:

	£
Fixed assets	1,754,167
Investments	540,481
Net current assets	828,458
	<u>3,123,106</u>