

**Commissariat  
of the  
Holy Land**

**Annual Report and Accounts**

31 December 2020

Charity Registration Number  
263616

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## Reference and administrative details of the charity, its trustees and advisers

<b>Trustees</b>	Rev Michael Copps ofm (from 24 February 2020) Brother Michael O’Kane ofm Brother Raymond Hynes ofm (until 24 February 2020)
<b>UK Commissary to the Holy Land</b>	Brother Michael O’Kane ofm
<b>Principal address</b>	The Franciscan Friary 557 High Road Woodford Green Essex IG8 0RB
<b>Charity registration number</b>	263616
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Solicitors</b>	SBP Law Glade House 52 – 54 Carter Lane London EC4V 5EF
<b>Principal bankers</b>	National Westminster Bank plc PO Box 3244 300 Romford Road London E7 9SH

The trustees present their statutory report together with the accounts of Commissariat of the Holy Land for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 17 to 19 of the attached accounts and comply with the charity's trust deed, 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 United Kingdom and Republic of Ireland (FRS 102).

### **Introduction**

The Custody of the Holy Land was, in the fourteenth century, entrusted by the Holy See to the Order of St Francis and remains to this day in the care of the Franciscan Order of Friars Minor.

The Order of Friars Minor established a charitable trust known as the Commissariat of the Holy Land in 1971 to support the Custody in this work.

### **Constitution and organisation**

The Commissariat of the Holy Land is governed by a trust deed dated 12 October 1971 and is registered under the Charities Act 2011, Charity Registration No. 263616.

### **Activities, objectives and specific policies**

#### ***Principal aims and activities***

The principal aims of the charity are:

- ◆ the support and furtherance of the work of the Custody of the Holy Land;
- ◆ the support of Franciscan and other clergy and religious working for the Custody;
- ◆ the advancement of the Roman Catholic religion; and
- ◆ the relief of poverty in Missions maintained by the Custody.

The trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

#### ***Grant making policy***

The objects of the charitable trust include the preservation of the Christian Shrines in the Holy Land and the spread of the Gospel, the provision of education and the relief of poverty among the Christians living in the Holy Land. The trustees have the responsibility to see that any payments to the Custody are used in support of one or more of those objects.

### **Review of the year: 2020**

The Trustees have met formally on seven occasions during 2020.

With the Coronavirus lockdown in place this past year and the Good Friday Collection rescheduled for 13 September 2020 and the Feast of the Exultation of the Cross, the total amount donated for 2020 is £236,598. This compares to £557,629 in 2019 – a decrease of £321,031 reflecting the impact of Covid-19 and the closure of churches.

On 6 December 2020 the Trustees transferred £400,000 to the Washington Commissariat in the USA according to the Protocol of the English Speaking Conference of Commissariats.

Our donation has contributed to the projects in this year's report for 2020.

### **Projects helped 2020**

**"There's a time for everything under the sky," says the Qoheleth.**



At the end of 2019, the Custody was celebrating a good year for welcoming pilgrims to the shrines and the holy places, but within a couple of months, emergency measures to counter the spread of the Coronavirus began to take hold in Israel and the Palestinian Authority.

At the beginning of March, the Palestinian Ministry of Health decreed for the area of Bethlehem and Jericho, the closure of schools and universities for 14 days, banned public events (including celebrations with crowds of people in churches and mosques) and closed access to hotels for tourist groups.

"I invite everyone," concluded Mgr. Pizzaballa, "to a sense of responsibility and unity". The Custody of the Holy Land will give the faithful the opportunity to follow the Holy Mass in live streaming from the Basilica of the Annunciation in Nazareth through the channels of the Christian Media Centre.



The Basilica of the Annunciation, Nazareth.

### Projects helped 2020 (continued)

*Br FRANCESCO PATTON, ofm Holy Land Custos "The feeling is that of a dramatic moment, clearly a moment of emergency, because we've witnessed this reality in recent years only during wars or moments of physical danger. Now the danger is this virus, which is now widespread throughout the world and it is right, at this time, to protect people's health. It is right to temporarily suspend pilgrimages, and it is also right that we are the ones praying in the holy places for all those who cannot come to visit them, for all those who are suffering because of the pandemic, for all those who are giving their lives in caring for the sick."*



### Liturgical and Communications Programmes:

Through the facilities of the Christian Media Centre, we have supported provisions for the Custody's Shrines and Parishes to give live streaming of daily mass and the main liturgical ceremonies of the year.



With Christian ecumenical and interreligious content in various languages, the Centre shows the beauty of the Holy Land through news, events, festivities and specific liturgical celebrations.

The Centre also offers to journalists and the media, support and useful information, to spread the message of the Holy Land and sacred sites.

### Pentecost in Jerusalem: "the essential importance of the gift of the Spirit"

HE Mgr. PIERBATTISTA PIZZABALLA, ofm Apostolic Administrator of the Latin Patriarchate of Jerusalem "Fear characterised the Disciples before the gift of the Spirit and it also characterises us - let us tell the truth - for many months: fear was the only criterion for reading every gesture, all the things we had to do.



The gift of the Spirit also means overcoming fear, which does not mean becoming unconscious and doing nothing, but knowing how to look beyond this moment and how to give us vision and direction."

**Pentecost in Jerusalem: "the essential importance of the gift of the Spirit" (continued)**

In the meantime, the friars of the Custody gathered in the church of St Saviour, in the Christian quarter of the old city, for the Pontifical Mass which confirms the link between the Cenacle - the first place the Franciscans lived in Jerusalem - and St Saviour, where they moved after 1551.

**Pastoral Programmes in our Parishes**

In our Parishes like St Catherine's in Bethlehem and St Saviour's in Jerusalem, we have supported parish projects for caring for the sick, offering food and financial support for the people who have no jobs with the lockdown for Covid.



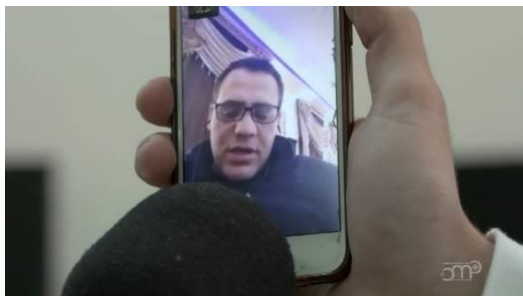
Br RAMI ASAKRIA, ofm Latin Parish of Bethlehem "We pray to the Lord, asking Him to protect us all from the danger of this coronavirus and the evils of the whole world. The Scout group "Terra Sancta" of Bethlehem, like many others, has distributed food and medicine to the sick, the poor, the lonely and those in quarantine, to follow the words of St Paul in his letter to the Corinthians "Now these three things last: faith, hope, love; but the greatest of them is love." (Corinthians 13:13)"



The Communities of Friars in the Parishes continue to keep contact with their people.



**Continued support of the Educational Projects of the Custody: Scholarships, Terra Sancta schools:**



As part of the English Speaking Conference of Commissariats worldwide, we have continued to support students in Tertiary Education in this time of lockdown who continue to work with on-line teaching.

Br IBRAHIM FALTAS, ofm Director of Holy Land Schools "We started with online teaching from day one. The teaching process

hasn't stopped, and we are ready even if our students are asked to take a test or an exam."

In May, the Terra Sancta Schools in Israel were directed to open by the government, but parents were very afraid to send their children to school. "The school is open, as you can see, but the students have not come. Parents claim that the risk is too high."



**2020 IN THE HOLY LAND**



From a boom in tourists to empty streets, the pandemic has brought radical changes in the Holy Land. Br FRANCESCO PATTON, ofm Custos of the Holy Land wrote in his Christmas Message 2020 to the Church worldwide "In this strange year marked by the pandemic, I know that with your hearts you are here, and that for Christmas you would like to be here as pilgrims: keep alive in your hearts the desire to return to the Holy Land, to return to visit the Holy Places as pilgrims and also to return to visit us and support us. We look forward to seeing you, as soon as possible."



## **Financial review**

### ***Income and expenditure***

A summary of the year's results can be found on page 14 of this annual report and accounts.

Total income for 2020 was £236,920 (2019 - £556,716). Of this, £236,598 (2019 - £555,629) was received in the form of donations, the vast majority being annual Good Friday church collections. In 2020 the collection was postponed until 13 September 2020 due to the worldwide Covid-19 pandemic.

During the year, expenditure totalled £409,931 (2019 - £615,966). £400,000 (2019 - £600,000) of this represents payments to the Commissariat of the USA for onward distribution to support work and projects of the Custody of the Holy Land, details of which are given above. (In 2019, a further £6,000 was given to St Joseph's Convent, Jerusalem). The remainder represents expenditure to support the members of the clergy who support the work of the Custody, together with administrative expenses.

### ***Financial position and reserves policy***

The balance sheet shows total reserves of £102,239 (2019 - £275,250) which are represented largely by bank balances. It is the charity's policy to hold reserves until such time as required for the work and projects of the Custody of the Holy Land. It is anticipated that such reserves would not exceed £500,000 in any year. The trustees regard the reserves held at 31 December 2020 to be adequate but not excessive.

### **Covid-19**

Since March 2020, the Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

In the UK, a nationwide lockdown came into effect on 23 March 2020 and resulted in the closure of churches and other places of worship. As a consequence, the church collection in support of the work of the Custody of the Holy Land, traditionally held throughout the United Kingdom (excluding Northern Ireland) on Good Friday, was not able to take place. It was agreed with the Church in Rome that the collection may be rescheduled for 13 September 2020 albeit the amount given was considerably lower than normal. The grant which the charity is able to make to the Commissariat of the USA for onward distribution to support work and projects of the Custody of the Holy Land is directly impacted by the income received from these church collections and, therefore, had to be reduced.

The trustees acknowledge that the levels of both income and expenditure may continue to be affected in 2021 but the nature of the charity's activities means that financially it will remain solvent and be able to support the Custody of the Holy Land in future years.

### **Governance and structure**

According to the trust deed, the trustees of the charity, of which there must be a minimum of two and a maximum of four, are appointed by the then trustees taking into account the views of the Custos of the Holy Land and the Provincial of the Friars Minor in England. At 31 December 2020 the trustees comprised the Commissary and Vice-Commissary, both members of the Order of Friars Minor. In practice, these appointments are reviewed at the triennial chapter of the Province. The functions of the trustees are to see firstly that contributions from the dioceses are properly accounted for and secondly to ensure the contributions are remitted to the Holy Land and spent in accordance with the objectives of the charity.

The trustees are kept up to date with financial and regulatory developments in the charity sector by the charity's auditor and by attending training courses when necessary.

The names of the trustees who served during the year are set out as part of the reference and administration details on page 1 of this annual report.

The charity is administered directly by the trustees and the Commissary; there are no employees.

### ***Trustees' responsibilities statement***

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

**Governance and structure** (continued)

***Trustees' responsibilities statement*** (continued)

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

***Key management personnel***

The trustees consider that they are the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees are not remunerated.

***Risk management***

The trustees have assessed the risks to which the charity is exposed and consider that there are controls in place to mitigate those risks as far as is practicable, bearing in mind the difficult political situation in the Holy Land.

The trustees undertake an annual review of the principal risks and uncertainties that the charity faces categorising the risks between those affecting the governance and management of the charity, operational risks, financial risks, reputational risks and those which occur because of circumstances outside of the charity's control such as changes in government policy, laws and regulations. They regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified one key risk for the charity which relates to the fact that the charity grants funds for ultimate use in the Holy Land, a part of the world where there continues to be considerable political unrest. To mitigate the associated risks, the charity passes most funds initially to the Commissariat of the United States of America (USA) so that, prior to being forwarded on to the Holy Land, the funds may be administered in collaboration with those raised by the other English speaking Commissariats and suitable projects may be identified. Whether or not the funds are sent to the USA or directly to the Holy Land, the trustees always ensure that they are fully briefed about and familiar with the work of a potential projects and recipients of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that a full written report of how the monies have been utilised and applied is obtained from the recipient.

Signed on behalf of the trustees:

Michael O'Kane

Trustee

Approved by the trustees on: 17 September 2021

## **Independent auditor's report to the trustees of Commissariat of the Holy Land**

### **Opinion**

We have audited the accounts of Commissariat of the Holy Land (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### **In our opinion, the accounts:**

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

**Other information** (continued)

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

We have nothing to report in this regard.

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

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

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

**Responsibilities of trustees**

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

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the accounts**

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

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

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; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; and
- ◆ performed substantive testing on expenditure.

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

- ◆ 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 trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

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

#### **Use of our report**

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

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

19 October 2021

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



# Statement of financial activities Year to 31 December 2020

	Notes	Total funds 2020 £	Total funds 2019 £
<b>Income:</b>			
Donations	1	236,598	555,629
Interest receivable		322	1,036
Other income		–	51
<b>Total income</b>		<b>236,920</b>	<b>556,716</b>
<b>Expenditure:</b>			
Charitable activities			
. Grants in support of the Custody of the Holy Land	2	400,000	606,000
. Support of the clergy	3	9,931	9,966
<b>Total expenditure</b>		<b>409,931</b>	<b>615,966</b>
<b>Net expenditure and net movement in funds for the year</b>		<b>(173,011)</b>	<b>(59,250)</b>
<b>Reconciliation of funds:</b>			
Balances brought forward at 1 January 2020		275,250	334,500
Balances carried forward at 31 December 2020		102,239	275,250

All of the charity's income and expenditure in both 2019 and 2020 relates to unrestricted funds.

All activities of the charity derived from continuing operations during the above two financial years.

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

**Balance sheet** 31 December 2020

	Notes	2020 £	2019 £
<b>Current assets</b>			
Cash at bank and in hand		<b>112,109</b>	291,522
<b>Creditors:</b> amounts falling due within one year	7	<b>(9,870)</b>	(16,272)
<b>Total net assets</b>		<b>102,239</b>	275,250
<b>The funds of the charity:</b>			
Unrestricted funds			
. General fund		<b>102,239</b>	275,250

Approved by and signed  
on behalf of the trustees by:

Michael O'Kane  
Trustee

Approved by the trustees on: 17 September 2021

## Statement of cash flows Year to 31 December 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(179,735)	(51,974)
<b>Cash inflow from investing activities:</b>			
Interest received		322	1,036
<b>Change in cash and cash equivalents in the year</b>		<b>(179,413)</b>	<b>(50,938)</b>
Cash and cash equivalents at 1 January 2020		291,522	342,460
Cash and cash equivalents at 31 December 2020	B	112,109	291,522

### Notes to the statement of cash flows for the year to 31 December 2020.

#### A Reconciliation of net income to net cash used in operating activities

	2020 £	2019 £
Net expenditure (as per the statement of financial activities)	(173,011)	(59,250)
Adjustments for:		
Interest receivable	(322)	(1,036)
(Decrease) increase in creditors	(6,402)	8,312
<b>Net cash used in operating activities</b>	<b>(179,735)</b>	<b>(51,974)</b>

#### B Analysis of cash and cash equivalents

	2020 £	2019 £
<b>Total cash and cash equivalents: Cash at bank and in hand</b>	<b>112,109</b>	<b>291,522</b>

#### C Analysis of changes in net debt

	2019 £	Cash flows £	2020 £
Cash at bank and in hand	291,522	(179,413)	112,109

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

### **Basis of accounting**

The accounts have been prepared for the year ended 31 December 2020 with comparative information given in respect to the year to 31 December 2019.

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

The accounts have been prepared in accordance with the principles set out in 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

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

### **Critical accounting estimates and areas of judgement**

In preparing these accounts, the trustees have not been required to make significant judgements or estimates other than the estimation of future income and expenditure for the purpose of assessing going concern (see below).

### **Assessment of going concern**

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

The Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charity's control.

The trustees acknowledge that the levels of both income and expenditure may continue to be reduced in 2021 but the nature of the charity's activities means that financially it will remain solvent and be able to support the Custody of the Holy Land in future years.

The trustees of the charity have concluded that notwithstanding the uncertainties consequent to the continuing Covid-19 pandemic, as detailed above, there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

### **Income**

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

Church collections in support of the work of the Custody of the Holy Land are made throughout the United Kingdom, excluding Northern Ireland. They are organised by the relevant dioceses, which may, at their discretion, pass the proceeds to the Commissariat for use in the Holy Land in accordance with its charitable objectives. They are, therefore, recognised on receipt from the dioceses.

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

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.

### **Expenditure**

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

All expenditure is accounted for on an accruals basis. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report and include:

- ◆ Charitable grants comprise single year payments rather than multi-year grants. They are included in the statement of financial activities when approved for payment. Provision is made for any such grants approved but unpaid at the year end.
- ◆ Support of the clergy who work for the Custody including those costs directly relating to the work of the clergy and indirect costs.

Governance costs are the costs associated with the governance arrangements of the charity including audit costs and the necessary legal procedures for compliance with statutory requirements. Governance costs are included as part of support of the clergy within the statement of financial activities.

All expenditure is stated inclusive of unrecoverable VAT.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**Creditors**

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt.

**Funds structure**

General funds represent monies which may be used towards meeting the charitable objectives of the charity at the discretion of the trustees.

## 1 Donations

	Total funds 2020 £	Total funds 2019 £
Donations		
. Church collections	235,398	553,884
. General	1,200	1,745
	<b>236,598</b>	<b>555,629</b>

## 2 Grants in support of the Custody of the Holy Land

	Total funds 2020 £	Total funds 2019 £
Grants made directly to, and for support of, the Custody of the Holy Land:		
. St Joseph's Convent, Jerusalem	–	6,000
. Commissariat of the USA for support of the Custody of the Holy Land	400,000	600,000
	<b>400,000</b>	<b>606,000</b>

## 3 Support of the clergy

	Total funds 2020 £	Total funds 2019 £
Books and subscriptions	754	867
Office costs	805	574
Bank charges	113	152
Other	–	61
Governance costs		
. Auditor's remuneration, including VAT	8,259	8,312
	<b>9,931</b>	<b>9,966</b>

## 4 Taxation

The Commissariat of the Holy Land is a registered charity and, therefore, is not liable to taxation on income and gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## 5 Staff costs

There are no staff costs as the charity does not employ any staff (2019 – none).



**6 Trustees' expenses and the remuneration of key management personnel**

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees.

No trustee received any remuneration in respect of their services during the year (2019 - £nil).

No trustee received reimbursement of expenses (2019 - £nil).

**7 Creditors: amounts falling due within one year**

	2020 £	2019 £
Accruals	<b>9,870</b>	16,272

**8 Church collection income committed**

Church collections in September 2020 in support of the work of the Custody of the Holy Land which had not been remitted by dioceses to the charity as at 31 December 2020 exceeded £71,000 (2019 - £134,000). In accordance with the accounting policy, as the exact amount and timing of the remittance of these collections to the charity is unknown, the income has not been recognised in these accounts.

**9 Connected charities**

The Commissariat of the Holy Land is connected to one other charity by virtue of the fact that the charities use the same principal address and the connected charity's trustees have the power to appoint the trustees of the Commissariat.

The connected charity is:

Name	Charity Registration No	Charitable objectives
The Order of Friars Minor	232177	The support of charitable purposes connected with the Roman Catholic religion and the support of the charitable work of the Order.

There were no financial transactions between the Commissariat of the Holy Land and The Order of Friars Minor during the year (2019 – none).

**10 Related party transactions**

There were no related party transactions during the year (2019 – none).