

THE CLEARY BLACKFRIARS TRUST

ACCOUNTS

FOR THE YEAR ENDED

31st AUGUST 2020

THE CLEARY BLACKFRIARS TRUST
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2020

Trustees, Officers and Advisers

Charity Trustees

Nominated by The King's School, Canterbury

P J M Roberts Esq MA (Headmaster)

Robert C A Bagley Esq LLB

T Ward Esq.

The Very Reverend Dr R A Willis DL,DCL, DD

Nominated by The Cleary Foundation

A Gould Esq MRICS CENG FRSA (Chair)

Officer

Honorary Treasurer & Clerk to the Trustees

M R Taylor FRSA (Bursar)

Address of the Trust

25 The Precincts

Canterbury

Kent CT1 2ES

Advisers

Bankers

Barclays Plc

UK Banking

1 Churchill Place

London E14 5HP

Auditors

Alliotts LLP

Friary Court

13-21 High Street

Guildford

Surrey GU1 3DL

Investment Managers

Sarasin & Partners LLP

100 St Paul's Churchyard

London EC4M 8BU

Solicitor

Boys & Maughan

57 Queen Street

Ramsgate

Kent CT11 9EJ

THE CLEARY BLACKFRIARS TRUST

Annual Report of the Trustees for the year ended to 31st August 2020

The Trustees present their annual report for the year ended 31st August 2020 under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities FRS 102 SORP.

Reference and Administrative Information

The Cleary Blackfriars Trust is a registered charity (registration number 297249). The Trustees, executive officers and principal address of the Charity are listed on page 1 together with particulars of the Charity's professional advisers.

Structure Governance and Management

Organisation

The Trustees set the overall policy for running the Trust in accordance with its objects and for the public benefit. The Headmaster of The King's School, makes recommendations to the Trustees as regards educational matters and candidates for the Cleary Scholarships. The Clerk is responsible for the maintenance of the Blackfriars Building, for the day to day management of the Trust's investments and for preparing the Trust's accounts.

Investment powers

The investment powers are governed by the Trustees Act 2000. During the year, the Trust's investments were managed by Sarasin & Partners LLP

The investments are held as part of a collective pool administered by The King's School, Canterbury.

Objects, Aims, Objectives and Activities

With the objectives of the Charity the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, in particular to its supplementary public benefit guidance on advancing education.

The objectives of the Charity are:

- 1) The promotion of education at The King's School, Canterbury
- 2) The establishment and maintenance of one or more "Cleary Scholarships" for pupils of The King's School, Canterbury.
- 3) The maintenance of the Blackfriars Building.
- 4) The promotion of the Arts.

Scholarships and bursaries

There are 9 King's School pupils, in receipt of Cleary Art Scholarships awarded in 2018/19, receiving £450 as the second instalment of their awards.

At their meeting on 14th November 2019, the Trustees awarded new Cleary Art Scholarships of £450 to 14 pupils for each year, as long as they remain scholars. They also made two leavers awards, one of £500 and one of £200-£300.

There was no nomination for the Trustees Award (£200).

THE CLEARY BLACKFRIARS TRUST

Annual Report of the Trustees for the year ended to 31st August 2020

Education and the Arts

The Trustees continued to maintain the Blackfriars Building as a centre for Art and Design for the pupils of The King's School, Canterbury, and during the School holidays as an exhibition centre for local artists.

Connected charity

The Trust is considered to be a subsidiary of the charity "The Governors, The Head Master and the Lower Master of the King's School of the Cathedral Church of Canterbury in the City of Canterbury" (registered charity number 307942) more commonly known as The King's School, Canterbury, by virtue of voting control, similar objects and common management.

Financial Review and Results for the Year

The net income for the year was £11,595 (2019: net income £13,901). The Trust's policy is to ensure that these resources are used firstly, to create and improve the facilities available to pupils and secondly, to enable these facilities to be shared with the Canterbury community when not in use by the pupils.

Investments

These are governed by the Trustees Act 2000. During the year, the Trust investments were managed by Sarasin & Partners LLP. The portfolio is invested in a mixture of gilts and equities so as to preserve capital in real terms and to provide a gross yield of least 3% on capital value. This was achieved (3.25%) during the year under review.

During the course of the year, the investments increased in capital value by 4.94%. The Trustees remain confident that their investment policy is prudent and that adequate income yields will continue to be achieved in future years.

Reserves

The reserves of the charity are unrestricted. However the funds must be applied in accordance with the objects of the charity.

The Trustees are following policies intended to maintain the reserves available to fund scholarships and grants and also to ensure that amounts required to fund future foreseeable repairs are available.

The Trustees consider that the charity's funds have adequate resources to meet its obligations.

Accounting and Reporting Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the affairs of the charity and of its financial activities for that period. In preparing those financial statements the Trustees are required to:-

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) Follow applicable accounting standards and the Charities SORP, disclosing and explaining any material departures in the financial statements;
- 4) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Trustees are responsible for keeping accounting records, which are such as to disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with charity law. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Approved by the Trustees of the Cleary Blackfriars Trust on the 19th November 2020.

and signed on its behalf by:



The Very Reverend Dr R Willis

THE CLEARY BLACKFRIARS TRUST

Independent Auditors' Report to the Trustees of the Cleary Blackfriars Trust for the year ended to 31st August 2020

Opinion

We have audited the financial statements of The Cleary Blackfriars Trust for the year ended 31 August 2020 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. 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 August 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

'THE CLEARY BLACKFRIARS' TRUST

Independent Auditors' Report to the Trustees of the Cleary Blackfriars Trust for the year ended to 31st August 2020

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

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

- sufficient accounting records have not been kept; or
- the 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 the Trustees

As explained more fully in the Accounting and Reporting Statement, the Trustees is 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

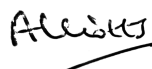
In preparing the financial statements, the Trustees is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Charity 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the Charity's Trustee, as a body, in accordance with section 145 of the Charities Act 2011 and the regulations made under section 154 of that act. Our audit work has been undertaken so that we might state to the Charity's Trustee those matters we are required to state to the Trustee 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Alliotts LLP

Statutory Auditor

Friary Court

13-21 High Street

Guildford

Surrey, GU1 3DL

Date: 18 January 2021

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

THE CLEARY BLACKFRIARS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2020

Unrestricted funds

	<i>Notes</i>	2020	2019
		£	£
INCOME FROM			
Investments			
Investment Income	<i>1</i>	12,152	14,870
Other			
Rental income		18,034	18,034
Total Income		<u>30,186</u>	<u>32,904</u>
EXPENDITURE ON			
Charitable Activities			
Education and Arts		18,591	19,003
Total Expenditure	<i>2</i>	<u>18,591</u>	<u>19,003</u>
NET INCOME BEFORE INVESTMENT GAINS		11,595	13,901
Investment gain	<i>4</i>	14,854	9,941
NET MOVEMENT IN FUNDS		26,449	23,842
Fund balances at 1st September 2019		673,677	649,835
FUND BALANCES AT 31st August 2020	<i>8</i>	<u>700,126</u>	<u>673,677</u>

THE CLEARY BLACKFRIARS TRUST

BALANCE SHEET AS AT 31ST AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	3	225,000	225,000
Investments assets	4	<u>315,433</u>	<u>300,579</u>
		540,433	525,579
CURRENT ASSETS			
Debtors	5	<u>172,763</u>	<u>167,959</u>
		172,763	167,959
CREDITORS: due within one year	6	<u>(13,070)</u>	<u>(19,861)</u>
NET CURRENT ASSETS		159,693	148,098
TOTAL NET ASSETS		<u>700,126</u>	<u>673,677</u>
UNRESTRICTED FUNDS	8	<u>700,126</u>	<u>673,677</u>

Approved by the Trustees of the Cleary Blackfriars Trust on the ... 8th of January 2021 ...
and signed on their behalf by:



Alistair Gould Esq
Chairman of the Trustees

THE CLEARY BLACKFRIARS TRUST

Notes to the Accounts for the year ended to 31st August 2020

STATEMENT OF ACCOUNTING POLICIES

a) Basis of accounting

The Cleary Blackfriars Trust is constituted under a Trust Deed dated 22nd June 1987 and is registered under charity number 297249. The financial statements of the Trust have been prepared in accordance with The Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice "Accounting and Reporting by Charities" ("FRS102 SORP") and with applicable accounting standards. They are drawn up on the historical cost accounting basis except that investments held as fixed assets are carried at market value. The Charity is a public benefit entity as defined by FRS102. The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

b) Expenditure

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Trust, also internal and external audit, any legal advice for the Trustees and all costs complying with constitutional and statutory requirements, such as the of Trustee meetings and preparing statutory accounts and satisfying public accountability.

c) Tangible fixed assets

Freehold property – This comprises the Arts Centre and De La Pierre House (collectively known as the Blackfriars Monastery) and was valued by Carter Jonas at £225,000 in August 2016. The valuation reflects the lease of the building to The King's School, Canterbury and the landlord's responsibility for external and structural repairs. The original cost is unknown as the land was gifted to the Trust.

The Trustees have made the decision to undertake external valuations of the lease every five years. The next valuation will be due in 2021.

The Trustees have undertaken a fair value review of the fixed assets and have concluded that their market value is fairly represented by their carrying value within these financial statements.

d) Depreciation

Depreciation is provided on fixed assets so as to write-off their cost or valuation less any residual value by equal instalments over their expected useful lives. Depreciation is charged from the term following the period in which the expenditure was incurred. No depreciation is provided in any period prior to that in which the asset was first brought into use by the Trust.

No depreciation has been provided on the Trust's freehold property as the amounts of depreciation and accumulated depreciation calculated thereon are neither material nor significant.

e) Investments and investment income

Investments are included at closing mid-market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the SOFA. Investment income is accounted for in the period in which the charity is entitled to receipt.

f) Grants and awards

Grants and awards are included as expenditure in the period for which the award is given.

g) Ultimate parent charity

By virtue of common control and administration, the Trust is considered to be a subsidiary charity to the charity known as The King's School, Canterbury.

Within the consolidated accounts prepared by the parent charity, the unrestricted funds of the Cleary Blackfriars Trust are shown as restricted, as they must be applied in accordance with the charitable objects of Cleary Blackfriars Trust.

h) Going concern

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

THE CLEARY BLACKFRIARS TRUST

Notes to the Accounts for the year ended to 31st August 2020

i) Financial Instruments

The Trust only holds basic financial instruments as defined in FRS102. The financial assets and liabilities of the Trust and their measurement basis are as follows:

Financial assets – Amounts due from the Trust's trustee are debt instruments measured at amortised cost as detailed in note 5.

Financial liabilities – Trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost as detailed in note 6.

THE CLEARY BLACKFRIARS TRUST

Notes to the accounts for the year ended to 31st August 2020

1) Investment income

	Year Ended 31 August 2020 £	Year Ended 31 August 2019 £
Interest on cash deposits held by The King's School	2,386	2,798
On listed investments	9,766	12,072
	<u>12,152</u>	<u>14,870</u>

2) Expenditure

	Year Ended 31 August 2020 £	Year Ended 31 August 2019 £
Trust Activity Expenditure includes:		
Cleary Art Scholarships	1,342	5,866
Cleary Travel Award	0	650
Building survey	11,752	5,010
Artists in Residence	3,954	5,879
Building Insurance	419	392
	<u>17,467</u>	<u>17,797</u>
Governance Expenditure includes:		
Auditors' remuneration	840	840
Trustees Meetings	284	366
	<u>1,124</u>	<u>1,206</u>
Total Expenditure	<u><u>18,591</u></u>	<u><u>19,003</u></u>

No Trustee received any remuneration or reimbursed expenses from the Charity.

Grants and Awards

The grants and awards are described on the Trustees' report on page 2.

3) Tangible fixed assets

	2020	2019
Freehold Property		
	£	£
Value brought forward at 1st September 2019	225,000	225,000
Value at 31st August 2020	<u>225,000</u>	<u>225,000</u>

All of the fixed assets (including the freehold property) are used for the direct charitable purposes of the Trust.

THE CLEARY BLACKFRIARS TRUST

Notes to the accounts for the year ended to 31st August 2020

4) Investments

	£
Market Value at 1st September 2019	300,579
Unrealised gain on revaluation	14,854
Market Value at 31st August 2020	315,433
Historic Cost	97,919

All investments are in Sarasin Alpha CIF for Endowments (Income Units)

	£
Overseas investments:	195,884
United Kingdom investments:	119,549
	315,433

5) Debtors

	2020	2019
	£	£
Deposit held with The King's School, Canterbury	172,763	167,959
	172,763	167,959

6) Creditors

	2020	2019
	£	£
Travel and Leavers' Awards	12,200	19,021
Audit	870	840
	13,070	19,861

7) Financial commitments

There were no other financial commitments as at 31st August 2020

8) Unrestricted Funds

	Balance 1st September 2019 £	Income £	Expenditure £	Investment gains £	Tangible Asset Revaluation £	Balance 31st August 2020 £
General Fund	673,677	30,186	(18,591)	14,854	0	700,126
	673,677	30,186	(18,591)	14,854	0	700,126

9) Covid 19 Impact

The worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well as finances. The Trustees acknowledge and recognise the impact of the Covid-19 pandemic on the operations of the charity, its beneficiaries, partners, stakeholders and on the wider society, and have ensured that both resources and processes are in place to mitigate any disruption to the operations of the charity