

THE CLEARY BLACKFRIARS TRUST

ACCOUNTS

FOR THE YEAR ENDED

31st AUGUST 2021

THE CLEARY BLACKFRIARS TRUST
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2021

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 CEnv 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 2021

The Trustees present their annual report for the year ended 31st August 2021 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.

One Trustee is nominated by The Cleary Foundation and the Trustees of The King's School, Canterbury may nominate other trustees, one of whom is the Headmaster ex officio.

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 14 King's School pupils, in receipt of Cleary Art Scholarships awarded in 2019/20, receiving £450 as the second instalment of their awards.

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

At their meeting on 19th November 2020, the Trustees awarded new Cleary Art Scholarships of £450 to eight pupils for each year, as long as they remain scholars. In 2019 they also made three leavers' awards, one of £600 and two of £300, three travel scholarship of £300, £350 and £500 and agreed that due to the Covid pandemic, these would be postponed for 2020 and that double awards would be made in the following year 2021.

An exemption from disclosing the names of those granted these awards has been taken to ensure compliance with GDPR requirements.

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.

THE CLEARY BLACKFRIARS TRUST

Annual Report of the Trustees for the year ended to 31st August 2021

Financial Review and Results for the Year

The net income for the year before investment gains was £3,093 (2020: net income £11,595). 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 not achieved (2.23%) during the year under review.

During the course of the year, the investments increased in capital value by 11.04%. 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 18th November 2021.
and signed on its behalf by:



The Very Reverend Dr R Willis

THE CLEARY BLACKFRIARS TRUST

Independent Auditors' Report for the year ended 31st August 2021

Opinion

We have audited the Financial Statements of The Cleary Blackfriars Trust for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, 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 August 2021 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

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 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 for the year ended 31st August 2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity 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 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

THE CLEARY BLACKFRIARS TRUST

Independent Auditors' Report for the year ended 31st August 2021

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

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

Audit response to risks identified

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewed legal expenses for indications of non-compliance or legal action.

A further description of our responsibilities for the audit of the accounts 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.

Use of our report

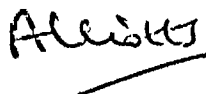
This Report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state 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.

Alliotts LLP

Chartered Accountants

Statutory Auditor

Friary Court, 13-21 High Street, Guildford, Surrey GU1 3DL



26 January 2022

THE CLEARY BLACKFRIARS TRUST

STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31st AUGUST 2021

		Unrestricted funds	
	Notes	2021	2020
		£	£
INCOME FROM			
Investments			
Investment Income	1	10,977	12,152
Other			
Rental income		18,034	18,034
Total Income		<u>29,011</u>	<u>30,186</u>
EXPENDITURE ON			
Charitable Activities			
Education and Arts		25,918	18,591
Total Expenditure	2	<u>25,918</u>	<u>18,591</u>
NET INCOME BEFORE INVESTMENT GAINS		3,093	11,595
Investment gain	4	35,234	14,854
Revaluation of Tangible Assets	3	20,000	0
NET MOVEMENT IN FUNDS		<u>58,327</u>	<u>26,449</u>
Fund balances at 1st September 2020		700,126	673,677
FUND BALANCES AT 31st August 2021	8	<u>758,453</u>	<u>700,126</u>

THE CLEARY BLACKFRIARS TRUST

BALANCE SHEET AS AT 31st AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	3	245,000	225,000
Investments assets	4	<u>350,667</u>	<u>315,433</u>
		595,667	540,433
CURRENT ASSETS			
Debtors	5	<u>188,346</u>	<u>172,763</u>
		188,346	172,763
CREDITORS: due within one year	6	<u>(25,560)</u>	<u>(13,070)</u>
NET CURRENT ASSETS		162,786	159,693
TOTAL NET ASSETS		<u>758,453</u>	<u>700,126</u>
UNRESTRICTED FUNDS	8	<u>758,453</u>	<u>700,126</u>

Approved by the Trustees of the Cleary Blackfriars Trust on the13th January 2022
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 31st August 2021

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 ETP Property at £245,000 in June 2021. 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 2026.

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 Statement of Financial Activities. 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 Trustees had a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

THE CLEARY BLACKFRIARS TRUST

Notes to the accounts for the year ended 31st August 2021

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.

1) Investment income

	Year Ended 31 August 2021 £	Year Ended 31 August 2020 £
Interest on cash deposits held by The King's School	1,966	2,386
On listed investments	9,011	9,766
	<u>10,977</u>	<u>12,152</u>

2) Expenditure

	Year Ended 31 August 2021 £	Year Ended 31 August 2020 £
Trust Activity Expenditure includes:		
Cleary Art Scholarships	8,429	1,342
Cleary Travel Award	4,700	0
Building survey	0	11,752
Artists in Residence	11,366	3,954
Building Insurance	523	419
	<u>25,018</u>	<u>17,467</u>
Governance Expenditure includes:		
Auditors' remuneration	900	840
Trustees Meetings	0	284
	<u>900</u>	<u>1,124</u>
Total Expenditure	<u><u>25,918</u></u>	<u><u>18,591</u></u>

No Trustee received any remuneration or reimbursed expenses from the Charity (2020: nil).

Grants and Awards

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

THE CLEARY BLACKFRIARS TRUST

Notes to the accounts for the year ended 31st August 2021

3) Tangible fixed assets

	2021	2020
	£	£
Freehold Property		
Value brought forward at 1st September 2020	225,000	225,000
Revalued in year	20,000	0
Value at 31st August 2021	<u>245,000</u>	<u>225,000</u>

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

4) Investments

	£
Market Value at 1st September 2020	315,433
Unrealised gain on revaluation	35,234
Market Value at 31st August 2021	<u>350,667</u>
Historic Cost	<u>97,919</u>

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

	£
Overseas investments:	217,764
United Kingdom investments:	132,903
	<u>350,667</u>

5) Debtors

	2021	2020
	£	£
Deposit held with The King's School, Canterbury	188,346	172,763
	<u>188,346</u>	<u>172,763</u>

6) Creditors

	2021	2020
	£	£
Travel and Leavers' Awards	24,654	12,200
Audit	906	870
	<u>25,560</u>	<u>13,070</u>

7) Financial commitments

There were no other financial commitments as at 31st August 2021 (2020: nil).

THE CLEARY BLACKFRIARS TRUST

Notes to the accounts for the year ended 31st August 2021

8) Staff numbers and costs

The average number of persons employed by the Trust during the year was: nil (2020: nil). The wage cost for the Trust was nil (2020: nil).

9) Unrestricted Funds

	Balance 1st September 2020 £	Income £	Expenditure £	Investment & Revaluation gains £	Balance 31st August 2021 £
General Fund	700,126	29,011	(25,918)	55,234	758,454
	<u>700,126</u>	<u>29,011</u>	<u>(25,918)</u>	<u>55,234</u>	<u>758,454</u>

10) Unrestricted Funds Prior Year

	Balance 1st September 2019 £	Income £	Expenditure £	Investment gains £	Balance 31st August 2020 £
General Fund	673,677	30,186	(18,591)	14,854	700,126
	<u>673,677</u>	<u>30,186</u>	<u>(18,591)</u>	<u>14,854</u>	<u>700,126</u>

11) 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.

12) Related Parties

The Charity and The King's School, Canterbury are related parties as disclosed on page 2 of the Trustees Report. There are no other related party transactions.