

# Our Lady of Bethlehem Abbey Trust

## Trustees' report

for the year ended July, 31 2024

The Trustees present their report and the audited financial statements of the charity, Our Lady of Bethlehem Abbey Trust, for the year ended 31 July 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The accounts have been prepared in accordance with the accounting policies set out on pages 11 to 19 of the attached accounts and comply with the charity's governing document, applicable laws and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) effective from accounting periods commencing 1 January 2015 or later.

### Objectives and Activities

The purpose of the monastery is to promote religion by;

- providing a spiritual centre, of Christian culture and heritage, for people of all faiths and all people of good will;
- bearing witness to the contemplative dimension of Christian life;
- celebrating Mass daily and the Divine Office throughout every day;
- preaching and hearing confessions;
- demonstrating the monastic ideal to the individuals and groups who visit the monastery;
- providing accommodation for visitors seeking retreat and spiritual advice;
- helping people to pray.

In addition to providing public worship, preaching, hearing confessions and giving spiritual guidance the Community's works comprise:

- the operation of a guesthouse welcoming individuals and groups for retreat;
- the maintenance of gardens and grounds that are open to the public;
- the running of a printing press for the Community and the public;
- operation of a repository for the supply of religious artefacts.

The charity maintains the monastery, where the community lives, the guest house and the properties from where they carry out their work.

### Public benefit

In formulating the charity's aims and in planning the work of members of the Community, the trustees have had regard to the general guidance published by the Charity Commission on public benefit and its supplementary guidance on the advancement of religion. The trustees believe that the Abbey and works of the monks have influenced morals and attitudes and enhanced the spiritual wellbeing of those visiting the Abbey for retreat or prayer. The trustees, by making donations to individuals and organisations in need, also demonstrate public accountability.

### Achievements and performance

#### Review of activities and future plans

At July 31, 2024 the Community of Our Lady of Bethlehem Abbey numbered eleven solemnly professed monks.

During the year the charity continued to assist the monks with their charitable and religious work.

Prayer, reading and work are the elements that make up the life of a monk. The Order as a whole seeks to move forward, while preserving the fundamentals of its history of community life and dedicated service to the wider community.

#### Liturgy and worship

While being central to our monastic life, our liturgy continues to draw visitors who are free to attend our celebration of the Eucharist and Divine Office. Members of the public regularly come to Mass here on Sundays and weekdays as they appreciate the solemnity of the worship and singing.

We are a contemplative order i.e. we do not do pastoral work, except helping out when a local priest needs someone from the monastery to say Mass when he is away, and some of the priests hear confessions.

Our main task in the church is our life of prayer.

We gather together in the church seven times each day to pray the Divine Office which is the official prayer of the church. These prayers start at 4 00am and finish at 8 00pm in the evening. Each monk spends a fair amount of time each day at spiritual reading and at personal prayer. If able each monk works part of the day at the different tasks needed to keep the monastery going.

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### Achievements and performance (continued)

#### *Hospitality*

The guesthouse has continued to provide a much needed service, for people in need, and wishing to stay with us for a few days, and to appreciate the serene surroundings, prayer and hospitality we have to offer.

We continue to develop the gardens and grounds and the number of visitors coming for a few hours of peace and quiet is increasing. We see this as an important ministry providing a haven of peace for people in a hectic world. Our grounds are open to the general public for free from 7:00am to 7:00pm every day of the year.

#### *Printing press*

Our printing press has been in operation for over 50 years and specialises in personalised laminated and traditional religious prayer cards also known as memorial cards.

Memorial cards are a lasting and befitting tribute to a departed loved one, and can be fully personalised with individual poem or eulogy and photo of the deceased loved one.

#### *Shops*

The Repository continues to attract a great number of customers, offering an excellent selection of religious books and objects of piety. In addition, the shops sell local produce including honey, jams and preserves.

For us the shop is not just a business venture - we see it as part of our ministry and service to the local congregation.

#### *Caring for members of the monastery*

The monastery has an obligation, both moral and legal, to provide care for its members, none of whom has resources of their own and all of whom have devoted their lives to serving in the monastic life. As the age profile of the community increases so too does the need to provide increasing and increasingly expensive care for the monks. We endeavour to care for the monks within the monastery, their own home, only resorting to outside care when we are unable to cope ourselves.

### Financial review

#### *Results for the year*

The statement of financial activities is on page 9 of the accounts and a summary of the years results is as follows:

Total income for the year amounted to £1,120,861 (2023, £1,033,282).

Voluntary income amounted to £516,705, (2023, £421,217) and represents 46% of total income to the Trust. Individual members of the Community donated £30,296 (2023, £32,351) being their pensions and allowances.

Income from trading activities amounted to £537,584 (2023, £514,007) and this accounts for 49% of total income to the Trust. This is of great importance to the charity and its continued existence in the community.

Other income, including rental income from farm land, investment income and disposal of land amounted to £66,572 (2023, £98,058).

Total expenditure for the year amounted to £1,283,398 (2023, £1,022,314).

Costs for the ministry and support of members of the community to include trading activities amounted to £333,978 (2023, £369,906)

# Our Lady of Bethlehem Abbey Trust

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### Financial review (continued)

#### *Reserves policy*

The trustees have examined the requirement for free reserves, (unrestricted funds) not invested in tangible fixed assets, designated for specific purposes or otherwise committed.

The trustees consider that the nature of the charity's work and the heavy reliance on trading departments for generating income necessitates that the charity always retain a modest level of free reserves. The trustees consider it prudent to hold at least an amount equivalent to approximately one year's expenditure as liquid reserves. The trustees believe that such a level of reserves enables them to plan for the future and provides flexibility to cover temporary shortfalls in incoming resources and allows the charity to cope and respond to unforeseen emergencies.

The balance sheet shows total funds of £6,547,769 (2023, £6,464,246).

Funds totalling £3,484,637 (2023, £3,484,637) have been set aside by the trustees as a property fund which represents 90% of the book value at cost of the Abbey's freehold properties. The trustees recognise the charity assets are essential to the day to day running of the charity and as such their value should not be regarded as funds that could be realised with any ease in order to meet contingencies in the future.

Funds totalling £1,263,150 (2023, £1,263,150) have been designated by the trustees to provide for the care and welfare of the community. Given the increasing age profile of the monks, the sum will provide only modest resources to look after the monks, many of whom will need increasing and increasingly expensive care and support in the years ahead. Full details of the designated fund can be found in note 19 to the accounts.

Funds totalling £241,913 (2023, £231,303) have been set aside as a trading reserve, a contingency which equates to five months of average trading. The trustees consider this prudent given the importance of the trading departments in meeting the operational and upkeep costs of the charity.

Funds totalling £573,750 (2023, £573,750) have been set aside towards the construction of the new Coffee Shop in the area vacated by the Craft Shop which ceased trading on 1 February 2019. The Craft Shop functions were taken over by the Repository Shop. The Trustees have recognised that the public visiting of Our Lady of Bethlehem Abbey and its public gardens are in need of a place to rest and replenish in order to make their visit more accommodating.

General funds (or free reserves) of the charity at July,31 2024 totalled £984,320 (2023, £911,408) which equates to 77% of the average annual resource cost by the charity. The general fund level has increased over the years and given the charity's work and the combination of the reserves policy on trading contingency reserve, the trustees consider that these reserves exceed the minimum level required to be operational and support the charity's work.

#### *Fixed assets*

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

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### Governance structure and management

#### *Governance*

The Order of Cistercians of the Strict Observance (also known as "Trappists") is a Roman Catholic contemplative religious order, consisting of monasteries of monks and monasteries of nuns. We are part of the larger Cistercian family which traces its origin to 1098. As Cistercians we follow the Rule of St Benedict, and so are part of the Benedictine family as well. Our lives are dedicated to seeking union with God, through Jesus Christ, in a community of brothers.

Each monastery is autonomous.

The monastery is governed by the Constitutions and Statutes of the monks and nuns of the Cistercian Order of the Strict Observance, and other legislative documents, approved by the Congregation for Institutes of Consecrated Life and Societies of Apostolic Life, in Rome on 3 June 1990. The assets comprising the monastery are held in a charitable trust, registered with the Charity Commission (Charity Registration Number NIC 105693) and it is through this trust that the varied works of the community are accounted for.

In terms of the Rule of St Benedict, our Constitutions and Canon law the monastery is governed by the Abbot who is elected by the solemnly professed members of the community for a six year term of office. The Abbot's governance is overseen by the Father Immediate, who makes a visitation every two years, and also by the General Chapter, which meets every three years, and the Abbot General who resides in Rome.

#### *Trustees*

The trustees are appointed by the Abbot. There are currently four trustees who have served from August. 1 2022;

Fr Philip Scott

Fr Francis Morgan

Rev Celsus Kelly

Br Michael McCourt

#### *Key management personnel*

The trustees consider that they alone comprise the key management of the charity and are in charge of directing and running the day to day operations of the charity. None of the trustees received any remuneration from the charity in respect to their services during the year.

#### *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 Northern Ireland requires the trustees to prepare financial statements for each financial year which give a true and fair view of affairs of the charitable company and of the incoming of resources and application of resources, including the income and expenditure, of the charitable company 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## Our Lady of Bethlehem Abbey Trust

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#### Governance structure and management (continued)

##### *Statement of trustees' responsibilities (continued)*

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 accounts comply with the Charities Act (Northern Ireland) 2008, the Charity (Accounts and Reports) Regulations (Northern Ireland) 2015.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the financial information included on the charity's website.

##### *Structure and management reporting*

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet during the year to review developments with regard to the charity or its activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including solicitors, investment managers and accountants. The day to day management of the charity's activities and the implementation of policies is the responsibility of the Abbot.

##### *Risk management*

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that they have established effective systems to mitigate those risks.

It has not escaped the notice of the trustees that year by year community numbers have been reducing and are concerned that before long the community may cease altogether to attract recruits and that then the community could die out. To counter this tendency, everything possible is being done to enable the community to live its contemplative life and values authentically and to observe the Rule of St Benedict and the Cistercian Constitutions as faithfully as is possible.

#### Acknowledgements

##### *Employees and members of the Community*

The trustees wish to record their recognition of the hard work, professionalism and commitment shown by all their staff and by the individual members of the community. Their dedication and support are very much appreciated.

##### *Benefactors*

The trustees are profoundly grateful for the financial and other support received from friends and families of the community, guests, visitors and members of the public. The many benefactors of Our Lady of Bethlehem Abbey are remembered in the prayers of the community.

For and on behalf of the trustees

Rev Aelred Magee  
Trustee

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